

By Mr. REED of West Virginia: A resolution (H. Res. 566) authorizing the Commissioners of the District of Columbia to investigate and report at the beginning of the Sixty-eighth Congress upon the advisability or necessity of legislation looking to an increase in the number of judges of the police court of the District of Columbia; to the Committee on the District of Columbia.

By the SPEAKER (by request): Memorial of the Legislature of the State of Oregon petitioning Congress to pass an act whereby all revenue secured by the Federal Government from leases on Sand Island shall be turned over to the treasurer of the State of Oregon; to the Committee on Military Affairs.

Also (by request), memorial of the Legislature of the State of California favoring the establishment of a forest experiment station in California; to the Committee on Agriculture.

By Mr. BECK: Memorial of the Legislature of the State of Wisconsin petitioning Congress to enact legislation relating to forest products; to the Committee on Agriculture.

By Mr. McARTHUR: Memorial of the Legislature of the State of Oregon, urging Congress to enact legislation guaranteeing the price of wheat; to the Committee on Agriculture.

By Mr. PATTERSON of New Jersey: Memorial of the Legislature of the State of New Jersey, urging reorganization and certain corrections of administration in the second district of the United States Veterans' Bureau; to the Committee on Interstate and Foreign Commerce.

By Mr. RAKER: Memorial of the Legislature of the State of California, relative to the immigration bill; to the Committee on Immigration and Naturalization.

Also, memorial of the Legislature of the State of California, relative to the establishment of a forest experiment station in California and indorsing Senate bill 3031 and House bill 11249; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CANTRILL: A bill (H. R. 14439) granting a pension to Austin Price; to the Committee on Pensions.

By Mr. KOPP: A bill (H. R. 14440) granting an increase of pension to Ellen L. Stone; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 14441) granting an increase of pension to Cleopatra Soper; to the Committee on Invalid Pensions.

By Mr. TEN EYCK: A bill (H. R. 14442) for the relief of Emma B. McOmber; to the Committee on Claims.

By Mr. IRELAND: A resolution (H. Res. 565) authorizing the appointment of a legislative clerk at the rate of \$1,800 per annum; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7467. By Mr. BRITTEN: Petition of representatives of the American Assyrians in Chicago, Ill., urging Congress to permit the remaining Assyrians outside of the United States to immigrate into this country; to the Committee on Immigration and Naturalization.

7468. By Mr. CONNOLLY of Pennsylvania: Petition from sundry citizens of the fifth Pennsylvania district, indorsing House Joint Resolution 412, providing for the relief of the distress and famine conditions in Germany and Austria; to the Committee on Foreign Affairs.

7469. By Mr. FESS: Petition of 165 members of the congregation of the United Presbyterian Church, of Sebring, Ohio, to amend the preamble of the Constitution of the United States; to the Committee on the Judiciary.

7470. By Mr. KELLY of Pennsylvania: Petition of General Putnam Council, Sons and Daughters of Liberty, of Pittsburgh, Pa., urging restriction of immigration; to the Committee on Immigration and Naturalization.

7471. Also, petition of citizens of Allegheny County, Pa., opposing the prohibition of transportation and sale of firearms; to the Committee on Interstate and Foreign Commerce.

7472. By Mr. KISSEL: Petition of the Woman's Republican Club, New York City, N. Y., urging an amendment to the Constitution of the United States to limit or prohibit the labor of children; to the Committee on the Judiciary.

7473. Also, petition of New York State Association of Builders, Rochester, N. Y., urging the passage of Senate bill 4304, which provides for the admission of immigrants regardless of the legal quota; to the Committee on Immigration and Naturalization.

7474. By Mr. RAKER: Petition of Mrs. Nettie Bowe, past president Admiral Glass Auxiliary, No. 26, United Spanish War Veterans, indorsing and urging support of House bill 13298 and Senate bill 4142; also Julia A. Martin Auxiliary, No. 2, United Spanish War Veterans, of Oakland, Calif., indorsing and urging the passage of House bill 13298 and Senate bill 4142; to the Committee on Interstate and Foreign Commerce.

7475. Also, resolution of the National Association of Manufacturers, 50 Church Street, New York City, relative to the provisions of the Sterling-Lehbach bill (H. R. 8928); to the Committee on Reform in the Civil Service.

7476. Also, petition of Karl H. M. Gardner, chief priest and master supreme of the Holy Rosicrucian Church, of San Francisco, Calif., relative to Treasury Decision 3391, providing for securing sacramental wines; to the Committee on the Judiciary.

7477. Also, petition of the First National Bank of Alturas, Calif., urging support of House conferees on bank tax bill (H. R. 11939) and to reject the Senate amended bill; to the Committee on Banking and Currency.

7478. Also, resolution adopted by the Siskiyou County Pomona Grange, of Siskiyou County, Calif., relative to the early completion of the best and most feasible highway from ocean to ocean; to the Committee on Roads.

7479. By Mr. ROUSE: Petition of 230 citizens of Campbell County, Ky., protesting against the enactment of any legislation toward the change of the present immigration law that will permit admission of aliens other than provided by present laws; to the Committee on Immigration and Naturalization.

7480. By Mr. WINSLOW: Petition of residents of Massachusetts and California, opposing House bill 4388; to the Committee on the District of Columbia.

SENATE.

WEDNESDAY, February 28, 1923.

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father and our fathers' God, we turn our thoughts to Thee with the beginning of the day's duties and seek Thy wisdom. We ask that whatever may come before this body in connection with its high responsibilities, wisdom may always be dispensed unto it, and that each one under the consciousness of his charge may fulfill the duties for the highest interests of the country and to the glory of Thy great name. We ask in Jesus' name. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Monday, February 26, 1923, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. Let the roll be called.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Fernald	Ladd	Sheppard
Ball	Fletcher	Lenroot	Shields
Bayard	Frelinghuysen	Lodge	Shortridge
Borah	George	McCormick	Smoot
Brandeggee	Gerry	McKellar	Spencer
Brookhart	Glass	McKinley	Stanley
Bursum	Gooding	McLean	Sterling
Calder	Hale	McNary	Sutherland
Cameron	Harrell	Moses	Swanson
Capper	Harris	Norbeck	Townsend
Caraway	Harrison	Norris	Wadsworth
Colt	Heflin	Oddie	Walsh, Mass.
Couzens	Hitchcock	Overman	Walsh, Mont.
Culberson	Johnson	Pepper	Warren
Cummins	Jones, N. Mex.	Phelps	Watson
Curtis	Jones, Wash.	Pittman	Weller
Dial	Kellogg	Polinder	Willis
Dillingham	Kendrick	Ransdell	
Edge	Keyes	Reed, Pa.	
Ernst	King	Robinson	

Mr. PHIPPS. I desire to announce the absence of my colleague [Mr. NICHOLSON] on account of illness.

Mr. KING. I wish to announce that the senior Senator from South Carolina [Mr. SMITH] is detained on account of official business.

The VICE PRESIDENT. Seventy-seven Senators have answered to their names. A quorum is present.

REPORT OF THE FEDERAL RESERVE BOARD.

The VICE PRESIDENT laid before the Senate a communication from the acting governor of the Federal Reserve Board, transmitting, pursuant to law, the ninth annual report of the Federal Reserve Board covering operations for the year 1922, which was referred to the Committee on Banking and Currency.

NORTH CAROLINA STATE CLAIM.

The VICE PRESIDENT laid before the Senate a communication from the Comptroller General of the United States, transmitting, pursuant to Senate Resolution 324, agreed to July 22, 1922, a report of the reexamination and restatement of the account of advances and expenditures made by the State of North Carolina for military purposes in the War of 1812, which was referred to the Committee on Claims and ordered to be printed.

JUDGMENTS IN CLAIMS AGAINST THE UNITED STATES (S. DOC. 324).

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a list of judgments rendered by the Court of Claims, as follows: Under the Department of the Interior, \$430; under the War Department, \$111,025.22; in total amount, \$111,455.22, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

TRANSPORTATION OF ANTHRACITE COAL DURING COAL EMERGENCY.

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Interstate Commerce Commission, in response to Senate Resolution 418, agreed to January 23 (calendar day, January 24), 1923, and submitted by Mr. WALSH of Massachusetts, transmitting a report adopted by the commission relative to the recent transportation and distribution of anthracite coal, which was referred to the Committee on Education and Labor.

Mr. WALSH of Massachusetts. I move that the report be printed in the RECORD and referred to the Committee on Education and Labor.

The VICE PRESIDENT. Is there objection?

There being no objection, the report was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

INTERSTATE COMMERCE COMMISSION,
Washington, February 28, 1923.

SIR: I transmit herewith report adopted February 27, 1923, in response to Senate Resolution 418, of January 23 (calendar day, January 24), 1923, directing the Interstate Commerce Commission to report to the Senate:

1. Whether it has investigated the feasibility and advisability of ordering an embargo upon shipments of anthracite coal to foreign countries;
2. The action taken as a result of such investigation, if one has been made, together with the facts considered and the conclusions reached by the commission;
3. If no investigation has been made, whether such an investigation should not be immediately instituted to determine the feasibility and advisability of ordering such an embargo; and
4. What other necessary and appropriate steps for the priority in transportation and equitable distribution of coal (anthracite) have been taken to prevent, upon the part of any person, partnership, association, or corporation, the purchase or sale of coal (anthracite) at prices unjustly or unreasonably high.

Respectfully,

B. H. MEYER, Chairman.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES.

INTERSTATE COMMERCE COMMISSION,
(No. 14624.)
February 27, 1923.TRANSPORTATION AND DISTRIBUTION OF ANTHRACITE COAL.
REPORT OF THE COMMISSION.

By the commission:

By Resolution No. 418, adopted by the Senate of the United States on January 23, 1923, we were directed to report to the Senate (1) whether we have investigated the feasibility and advisability of ordering an embargo upon shipments of anthracite coal to foreign countries; (2) the action taken as a result of such investigation, if one has been made, together with the facts considered and the conclusions reached by us; (3) if no investigation has been made, whether such an investigation should not be immediately instituted to determine the feasibility and advisability of ordering such an embargo; and (4) what other necessary and appropriate steps for the priority in transportation and equitable distribution of coal (anthracite) have been taken to prevent, upon the part of any person, partnership, association, or corporation, the purchase or sale of coal (anthracite) at prices unjustly or unreasonably high.

Accordingly, of our own motion, we instituted a formal proceeding of inquiry and investigation into the matters set out in the resolution, and we held public hearings in the city of New York and Washington on four days in the present month, at which we afforded an opportunity to all parties interested therein to be heard. Prior to such formal investigation and prior to the adoption of the Senate resolution, in an informal way, in the usual course of our service work, we had obtained reasonably full and reliable current information as to the matters set out in the resolution.

The strike of the United Mine Workers and the strikes of the railway shop crafts during the year 1922 brought about conditions in the

transportation and distribution of fuel which invited and throughout the past nine months have received our close attention. In the light of the information elicited at the hearings and information which we have gathered informally we make the following report:

1. We have investigated the matter and have elicited information which we deem to be sufficient to enable us to report to the Senate upon the feasibility and advisability of ordering an embargo upon shipments of anthracite coal to foreign countries.

2. We have concluded that we should not order any common carrier to lay an embargo against the shipment or transportation of anthracite coal to any foreign country.

The report of the Bureau of Foreign and Domestic Commerce, in the Department of Commerce, for the calendar year 1921 shows that anthracite coal produced in this country was exported to 33 foreign countries; that during that year 4,035,014 long tons of anthracite coal were exported to Canada; 15,397 long tons of anthracite coal to Newfoundland, including Labrador; 44,482 long tons of anthracite coal were exported to Mexico; 47,901 long tons of anthracite coal were exported to Cuba; and the tonnage of anthracite coal exported to each of the 29 other foreign countries was less than 10,000 long tons. That report also shows that 11,961,405 tons of bituminous coal were exported from the United States to Canada, and that 975,118 tons of bituminous coal were imported into the United States from Canada during that calendar year.

On September 21, 1922, a conference of representatives of the United States and representatives of several of the States, called by Mr. Henry B. Spencer, the administrative officer of the presidential fuel committee, took place in Philadelphia. The purpose of the conference was to adopt a plan for the distribution of anthracite coal during the present coal year, ending on March 31, 1923. At this conference an estimate that the production and distribution of anthracite coal during the present coal year would be approximately 60 per cent of the production and distribution of anthracite coal during the preceding coal year was adopted and announced, and a plan was evolved to allot to each of 44 States and to the District of Columbia, which had received a substantial tonnage of anthracite coal during the preceding coal year, 60 per cent of the tonnage they had received during that preceding coal year. Four of the States did not receive anthracite coal during the coal year ended on March 31, 1922. On the date of that conference certain of the Federal representatives and representatives of the Pennsylvania Fuel Commission met and assured representatives of the Dominion of Canada that during the present coal year Canada would receive an allotment of anthracite coal computed substantially on the same basis as were the allotments to the 44 States and the District of Columbia. Subsequently those assurances were adopted and confirmed in writing by the Pennsylvania Fuel Commission. This plan was in conformity with the plan followed in the distribution of anthracite coal to Canada during the coal year ended on March 31, 1919. The tonnage of anthracite coal exported to Canada during the calendar year ended on March 31, 1921, was 4,035,014 tons. However, the Federal and State representatives ascertained that the maritime provinces of Canada would be able to obtain coal from Wales, and therefore the allotment to Canada was fixed at approximately 2,000,000 tons, which is 421,008 tons less than the allotment to Canada would be if computed at 60 per cent of the tonnage exported. Since the distribution of coal has been within the general jurisdiction of the Federal Fuel Distributor, appointed by authority of law, the same basis of distribution has been maintained with his sanction.

The production of anthracite up to January 29, 1923, as a whole has not departed to a material extent from the estimate referred to above.

Many complaints of shortage of coal in various communities in the New England States and in the northeastern section of the State of New York have been brought to our attention.

The Hudson Coal Co., which produced approximately 10 per cent of the anthracite coal produced in the State of Pennsylvania during the period involved, refused to furnish to the Federal Fuel Distributor, and did not furnish up to the time we held hearings in this matter, information as to the tonnage of anthracite coal which it distributed to the several States, to the District of Columbia, and to Canada during the present coal year. Two other producers of anthracite coal also refused to furnish and have not furnished such information to the Federal Fuel Distributor. During the hearing the Hudson Coal Co. furnished part of the desired statistics of distribution of anthracite coal made by it, but those statistics are not now sufficient to enable the Federal Fuel Distributor to include those figures with the statistics of distribution reported to him by approximately 78 producers and shippers of anthracite coal. Therefore, the following figures, which show distribution of anthracite coal during the present year to the New England States, the State of New York, and the Dominion of Canada, reflect only approximately 87 per cent of the allotments and distributions to those States, the District of Columbia, and Canada. It is estimated that the distribution made by the three companies which refused to report their distribution figures amounts to approximately 13 per cent of the total distribution of anthracite coal made during the present coal year.

Distribution of anthracite coal made by 78 producers and shippers to certain States during the present coal year.

To—	Allotment up to Jan. 20, 1923.	Distribution up to Jan. 20, 1923.	Overdistribution.	Short distribution.
	Long tons.	Long tons.	Long tons.	Long tons.
Maine.....	174,382	201,659	27,277	.....
New Hampshire.....	71,136	70,913	.....	223
Vermont.....	34,770	35,584	814	.....
Massachusetts.....	1,372,351	1,384,964	12,613	.....
Rhode Island.....	231,097	198,483	.....	32,614
Connecticut.....	643,720	642,965	.....	755
Total for the New England States.....	2,527,456	2,534,568	7,112	.....
New York.....	4,657,850	4,703,221	45,371	.....

The distribution of anthracite coal, which was produced at collieries and washeries operated by the Hudson Coal Co. during the present coal year up to February 15, 1923, to the New England States,

the State of New York, and Canada, as reported during the hearing by the Hudson Coal Co., was as follows:

To—	Up to Jan. 20, 1923.	Up to Feb. 15, 1923.
	<i>Long tons.</i>	<i>Long tons.</i>
Maine.....	34,935	39,107
New Hampshire.....	61,045	68,774
Vermont.....	81,032	94,032
Massachusetts.....	400,647	556,866
Rhode Island.....	6,103	10,361
Connecticut.....	1,458	1,493
Total for the New England States.....	676,091	770,538
New York.....	797,921	944,694
Canada.....	340,174	391,818

At the time this report is written we are without information as to the distribution made of the anthracite coal produced at collieries and washeries of the Hudson Coal Co. during the coal year ended on March 31, 1922. Therefore we can not compute the allotments to the New England States and the State of New York on the 60 per cent basis for the distribution of the production of those collieries and washeries during the present coal year. We expect that the Hudson Coal Co. will soon furnish the statistics which are not now at hand. However, the aggregate of the distribution of anthracite coal made to Canada by the 78 producers and shippers and the Hudson Coal Co. up to January 20, 1923, was 1,286,959 long tons, which is 26,400 tons short of the allotment due Canada on that date. These figures are based upon reports of approximately 97 per cent of the distribution made during the present coal year.

The allotment to any community is not more than 60 per cent of a normal supply of that fuel and the basis for the allotment is the consumption of anthracite coal in the several communities during the coal year ended March 31, 1922, which included a comparatively mild winter. The present winter has been especially severe in the New England States and in the State of New York and undoubtedly the several communities in those States have needed more fuel during this winter than they used during the corresponding period last winter, and, therefore, the basis of allotments of anthracite for this winter is below the quantity desired by those communities. Necessarily each of them must procure and use fuel other than anthracite to augment the supply of anthracite which they may reasonably expect to receive. The shortage of fuel in those communities undoubtedly has been accentuated by delay in the transportation of coal ascribable to insufficient motive power, to heavy snows, and to storms which have impeded rail transportation.

The Pennsylvania Fuel Commission has protested against the suggestion of an embargo against shipment of anthracite coal to Canada. That commission recommends full compliance with the assurances given by representatives of the United States and by that commission to representatives of the Dominion Government.

One witness estimated that if the tonnage of anthracite coal which reasonably may be expected to be shipped to Canada within the next six weeks was withheld from Canada and equitably distributed to the 44 States and the District of Columbia the allotment to each of those States and the District of Columbia would be increased approximately 8 per cent during those six weeks. This estimate has not been challenged. It seems to us that such a drastic action as an embargo of the transportation of anthracite coal to Canada ought not to be taken to attain such an inconsequential increase of our domestic fuel supply during such a short period.

Although the plan of distributing anthracite coal during the present coal year does not allot any tonnage thereof to any foreign country other than Canada, we do not understand that it necessarily prevents all reshipping of such coal to other foreign countries. The tonnage of anthracite coal normally exported to foreign countries other than Canada is so much smaller than the tonnage of such coal exported to Canada that, in our opinion, it is of such little consequence in the matter that further discussion of it is not called for.

We are not persuaded that during the remaining six weeks of the present coal year there should be departure from the plan of distribution adopted by the Federal and State representatives in September, 1922. No better plan of distribution has been brought to our attention. It seems to us that an embargo against the shipment of anthracite coal to Canada, if laid, would effect a substantial departure from that plan.

We can not give our approval to an embargo which, if enforced, might benefit certain communities but which inevitably would deprive other communities of their allotted supply of anthracite coal, which in most cases is but 60 per cent of the quantity actually needed. We can not overlook the possibility that such embargoes, if approved, might tend to incite appropriation of a full supply of fuel in the State or the communities in which it is produced and that the ultimate result might be accentuation of the distress elsewhere.

We have given consideration to the expediency of issuing an order for priority in the movement of anthracite coal from the mines in Pennsylvania to points of consumption in the New England States and in the northeastern section of the State of New York. Several reasons and conditions, including those outlined below, have impelled us to refrain at present from issuing such an order for priority.

A regular and orderly movement of cars through classification yards of the carriers is essential to normal or expedited movement of traffic. The plans of switching, of classification of cars, and of making up trains in such yards generally contemplate the assembling of cars on the several tracks in such yards in accordance with the destinations, or groups of destination, of such cars. The yard and train crews of the individual carrier are familiar with the plan in use. A priority order would impose a different plan upon the operation of such yards; that is, it would require a special classification of one or more commodities, which would call for reassignment of yard tracks, additional instructions to many railway employees, and plans for the handling or storage of nonpriority freight traffic on the line at the time the priority order becomes effective. More or less confusion may arise before the expedited movement required by the order can be effected.

The need for expedited movement of anthracite coal from mines in the State of Pennsylvania to the New England States and to approx-

mately 60 points in the State of New York, as presented to us, seemed to be immediate and pressing. Therefore on February 16, 1923, we took the following action, which we believe will be more effective in expediting the movement of anthracite coal to the points in need of fuel than an embargo or a priority order would be.

We sent telegrams of the following substance to the presidents of the Delaware & Hudson Co., the Boston & Maine Railroad Co., the Boston & Albany Railroad Co., and the New York, New Haven & Hartford Railroad Co., and the New York Central Railway Co.:

"It has been urged upon the commission that emergency conditions exist in northern New York and New England involving great distress because of shortage of fuel. We have been importuned for assistance in the movement of fuel. We have confidence that you appreciate the situation and can deal with it satisfactorily. For this reason and fearing that priority orders might bring about conditions that would retard movement, we are not issuing order to-day. We request you to exert every power to transport coal needed and will support you in the exercise of every discretion to this end. While we temporarily withhold priority order, we are relying upon you and will grant at any time any order which you feel will be helpful. We suggest you maintain contact with the fuel distributors New York and New England in order to facilitate location of coal to be moved. Advise them have list of communities to be served and points at which coal can be obtained. Please advise Federal Fuel Distributor and commission daily of situation."

Each of those presidents responded with a promise of cooperation and they immediately took action to that end.

We also advised either the governors or the fuel administrators of those seven States of the contents of the above-described telegrams and made the following suggestions to them:

"Commission is ready to exercise its power by order to facilitate any movement necessary. Rely upon you to advise railways and this commission points of origin and destination of coal you desire moved. We are sending inspectors to-night to all important gateways to facilitate movement and suggest your local administrators maintain contact with them. We suggest you keep us and Federal Fuel Distributor fully advised of the situation and particularly of specific movements which are essential."

We also sent our service agents to the appropriate gateways, classification yards, and points where anthracite coal was evidently being detained in transit, with instructions to act and cooperate with State and local fuel administrators and with railway officials and employees to the end that all available anthracite coal should be promptly transported to the communities most in need of it. The American Railway Association also sent its agents to those points with instructions to cooperate with all concerned.

There is now active cooperation of Federal, State, and local fuel administrators, and of railway officials, with us in expediting the movement of anthracite coal to points of need in those seven States. Preference and priority is being given the movement of anthracite coal without the material changes in plans of railway operation that might arise from the imposition of an inflexible priority order upon carriers which at present are under great stress in operating their lines.

3. We have made an appropriate investigation of the matter. 4. Prior to the hearings no substantial evidence as to any purchase or sale of anthracite at prices unreasonably or unjustly high had been brought to our attention, formally or informally. At the hearings we afforded an opportunity for the presentation of evidence by any person who had information in respect of the purchase or sale of anthracite coal at prices unjustly or unreasonably high. One person suggested that advertisements which had appeared in certain Canadian newspapers were indicative of such purchase or sale. However, competent evidence of the purchase or sale of such coal at such prices is not before us and information sufficient to invoke further investigation thereof has not been presented to us. We are of opinion that no steps or action other than the action described above should be taken at present.

INTERNATIONAL COURT OF JUSTICE.

Mr. LODGE. I present a letter from Bishop McDowell, chairman, and the Reverend Doctor Watson, secretary of the Federal Council of the Churches of Christ in America, which I ask to have printed in the RECORD.

There being no objection, the letter was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

FEDERAL COUNCIL OF THE CHURCHES OF CHRIST IN AMERICA,
Washington, February 26, 1923.

Senator HENRY CABOT LODGE,
Chairman Committee on Foreign Relations:

In behalf of the Federal Council of Churches of Christ in America, representing 82 of the leading Protestant denominations of the United States, with a constituency of some 21,000,000 membership, we wish to express to you our great gratification at the message of the President of the United States to this Congress requesting action permitting the United States to enter into the International Court of Justice. There is no action that can possibly be taken by Congress upon which the sentiment of the churches of this country is more unified than favorable action upon this recommendation of the President. The Federal Council of Churches again and again has expressed the mind of the churches as desiring such participation by the United States. We beg to present to you the following action taken by the Federal Council at a meeting January 30, 1922:

"The Federal Council of the Churches of Christ in America sees in the Permanent Court of International Justice not only the fruition and consummation of many decades of American discussions, plans, and desires for international peace through justice based on law but also the promise of a larger and truer righteousness and justice among the nations, a step forward in the establishment of the Kingdom of God among men. It believes this court will promote the development of a well-considered body of international law and the substitution of reason, justice, mutual good will, and universal law in place of the crude and savage methods of war or threats of war in maintaining even legitimate and vital national interests.

"It understands, through the careful inquiry of its commission on international justice and good will, that participation in the court is open to any nation mentioned in the annex to the covenant of the League of Nations.

"It is informed that 45 States have already become members and supporters of the court, of which 18 nations have indicated their acceptance of the jurisdiction of the court as obligatory in any or all of the four legal categories enumerated."

"Moreover, among the members of the International committee which framed the plan creating the Permanent Court of International Justice was our own distinguished citizen, Hon. Elihu Root, and among the 11 judges chosen to constitute the first court is another distinguished citizen, Dr. John Bassett Moore: Therefore

Resolved, That this administrative committee of the Federal Council of the Churches of Christ in America, expressing the repeated action of our constituent bodies in behalf of this method of settling international disputes, earnestly requests President Harding, Secretary of State Hughes, and the Senate to take into consideration the importance of such action as may be necessary to enable the United States to become a party to and supporter of the Permanent Court of International Justice."

We may add that delegations of the Federal Council have from time to time waited upon the President and the Secretary of State, urging upon them the desire of the churches and the religious forces of the country generally for participation by the United States in the International Court of Justice. The action of the Federal Council of Churches is based upon actions of the governing bodies of practically all the constituent bodies forming the council. We realize that the time is extremely short for action by this Congress, and respectfully urge that this question, which we believe to be vital to the world's welfare, be promptly and favorably acted upon by the Foreign Relations Committee. But for the shortness of the time and the multitude of matters pressing toward the conclusion of this session of Congress, we could gather before your committee outstanding representatives of all these bodies from every section of the country unanimously urging prompt and favorable action upon this recommendation of the President. In the shortness of time, however, and aware of the great pressure upon the committee for time, we simply ask opportunity for a local committee, representing the Federal Council of Churches, to present its plea briefly to the Committee on Foreign Relations at the earliest moment possible.

Respectfully,

WILLIAM F. McDOWELL, *Chairman*.
E. O. WATSON, *Secretary*.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had passed the bill (S. 4197) to authorize the Secretary of the Interior to issue to certain persons and certain corporations permits to explore, or leases of, certain lands that lie south of the medial line of the main channel of Red River, in Oklahoma, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had receded from its disagreement to the amendment of the Senate to the bill (H. R. 11939) to amend section 5219 of the Revised Statutes of the United States, and concurred therein, with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED.

The message further announced that the Speaker pro tempore had signed the bill (H. R. 13978) granting the consent of Congress to the Hudson River Bridge Co., at Albany, to maintain two bridges already constructed across the Hudson River, and it was thereupon signed by the Vice President.

STATEMENT BY SENATOR EDGE ON INTERNATIONAL CONFERENCE.

Mr. CALDER. Mr. President, I ask unanimous consent to have printed in the RECORD, in 8-point type, a statement issued by the junior Senator from New Jersey [Mr. EDGE] and recently published in the New York papers.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WALTER E. EDGE, OF NEW JERSEY.

Providing other nations affected will openly, frankly, candidly, and without evasion or subterfuge agree to join with the United States in a sincere effort to adjust existing international economic difficulties, it is the duty of the United States, both in the interest of our own citizens and to the civilized world to initiate and in every way to encourage such an undertaking.

Before any material headway can be made to bring about practical or lasting readjustments, an inventory of the assets and liabilities of every debtor nation in the world needing help must be taken; and this can only be accomplished through a complete show-down, with frankness on all sides.

To date, few nations have approached the problem excepting from a selfish standpoint, and while I have no idea that the millennium has arrived or perhaps ever will, still from some personal observation and study during the past two months I am convinced that conditions abroad are now so acute, and in some instances almost appalling, that the necessity for our help and cooperation will demand and assure an entirely new reception of our willingness to "sit in" is properly manifested.

It is folly to attempt to fool ourselves with the thought that an isolation policy is permitting us to escape contamination, as it were, or forms an insurance for our people against foreign entanglements. Every false economic move abroad directly affects our own prosperity and from the material standpoint millions of dollars are being lost annually by our pro-

ducers, especially the farmers, who are our greatest exporters, because of the sickness of Europe, which can only be cured by the assistance of the United States. We saved ourselves unnecessary complications by our waiting policy while the selfishness of European nations was so manifest, but in my judgment the time has arrived when a continued policy of aloofness is not only too costly to ourselves but Europe, generally speaking, is so prostrated that the stricken countries must and will now listen to reason.

However, some other agency than the League of Nations must be employed through which to formulate a broad policy of rehabilitation. The American people have spoken in no uncertain terms and would never have confidence in the league. A new tribunal whose ritual is based first on common sense business lines and not on the selfishness inevitably invited by the treaty of Versailles with its territorial grabbing and perpetuated by the league, must be established. I thoroughly appreciate the Entente have held many conferences since the impossible treaty of Versailles and mostly without result. But to use plain language, they have all been greatly superficial and with force and more force as the background and never, so far as I can recall, with any real demand that common sense business principles and understandings be adopted as the fundamental basis for negotiations. Conferences are as old as the hills. There is no new healing power in the word "conference." It must be the spirit represented by the people participating. I agree any further conferences of the average variety would be just as resultless and useless, as stated, unless nations abroad are prepared to drop the cloak of party or political diplomacy and really try to prepare a formula for a world and financial rehabilitation, then the United States should still remain on the side lines.

The present administration inaugurated a new type of international discussions or conversations, as the diplomat might put it, at the limitation of armament and pacific problem conference a little more than a year ago, and accomplished more in 10 weeks than any conference before or since. In that spirit with real determination must Europe meet the present crisis or the United States is helpless to make concessions or greatly remedy the deplorable situation. The futility of conferences conducted and controlled by old-style diplomacy is well demonstrated by a review of the many held in Europe during the past three years. In all, 18 conferences were convened between January, 1920, and March, 1922. The United States was invited to participate in several, but consistently refused, mainly because the time was not ripe, and apparently it was well recognized by the President and the State Department that the agenda was not sufficiently far-reaching to bring effective results and that European nations had not suffered sufficiently to be ready to generally subscribe to the policy, as Mr. Balfour once put it, of "what the world has been slow to learn, that the advantage of the part is best to be reached by the advantage of the whole."

However, whatever may have been the reasons for the declination of the United States to participate, such decision was well justified, as the general results of the conferences so far as curing world ills were concerned have been negligible. Apparently those gatherings have always evaded the real fundamentals. Discussions of the reduction of armaments, cutting down expenditures for military purposes, balancing budgets, or stabilizing or controlling paper or fiat money issues were always studiously avoided. The result has been, as already referred to, almost a complete breakdown of continental governmental financing.

There is more than a grain of truth in the witticism, "Conferences only succeed when their results are arranged beforehand." Witness again the success of the Washington gathering.

Kennedy, the English writer, in his recently published book, "Old Diplomacy and New," says of the Washington conference, when comparing its results with the futile European meetings, "It was carefully arranged and ably conducted." Again he speaks of "the greatness of America's diplomatic achievement. Being herself the power least crippled by the war, she could have made a bold bid for naval supremacy. She deliberately chose to substitute the principle of agreed limitation of armaments for that of competition, and gained the support of the world's four principal powers in eliminating from the naval sphere that burden of rival building which diverted wealth and effort from productive purposes and fed the disease of international jealousy of which it was itself the outgrowth."

He further adds: "The Washington conference, the first great international diplomatic gathering at which English displaced French as the official language, was a triumph of the

new diplomacy. Secrecy and privacy are abhorrent to the Americans, and the negotiations were carried on with great frankness and publicity. * * * Although international conferences may henceforth be more frequent, any change to be real and lasting must be in the spirit rather than in the method."

Only two weeks ago I was in Paris, and following much heralding and flare of trumpets it was announced that the much advertised Council of the League of Nations would meet there and some of the perplexing and acute problems of the hour, and none was more acute than the French occupation of the Ruhr, could be discussed and adjustments or at least friendly suggestions for a better and clearer understanding would follow. The facts are that the council met in all solemnity and the Ruhr was not even mentioned and after a few academic passages, the august body that was to be the arbiter of the world's troubles adjourned.

And yet we are criticized for not taking the helm. An economic conference—yes, but not until continental Europe is ready to lay down her arms and substitute frankness and candor for intrigue and bluff. In order that such a conference be successful, delegates should be appointed by the respective nations with understandings and powers similar to those possessed at the Washington conference. If the representatives are not given plenary powers, then it must be generally understood that their respective Governments will accept any fairly unanimous agreements reached at such a gathering. If results are to be secured, the utmost frankness must precede such a conference. Each nation must present its complete budgets, its real, honest cash income, against expenditures and the purposes of such expenditures. These are times one must call a spade a spade and evasion or smart bookkeeping be avoided.

For instance, in France, it is stated on good authority that the Government is right now spending approximately three times her income and to a great extent making up the balance with short-time notes rather than to try to collect necessary revenues from the citizens, hoping against hope or expectation that sufficient can be collected from Germany to make up the difference. Apart from Great Britain, similar conditions, I believe, exist with other allied nations. In some circles we are asked to reduce our claims against various nations. We exacted no cash indemnity from Germany but we have insisted that our accounts, representing direct loans to other nations, be paid. It must be conceded that Germany, evading and side-stepping, as she has, can not meet the demands, if her earning power is more and more destroyed. Of course, the Allies can not have the cake and the penny both. They can not annihilate and at the same time collect. Neither can they consistently ask the United States for concessions, when they steadfastly refuse to grant any.

Further, it must be recognized that some countries can not pay us unless Germany pays, and all good business men, when dealing with badly involved creditors make the best deal possible, rather than show happiness or satisfaction looking at a fixed frozen credit balance through smoked glasses. Therefore, it must be seen that our interests demand that Germany be permitted—yes, be made to pay, not by destruction, but by a cold-blooded surveillance over her activities and compelling her to work and permitting her to do so.

To add to the inconsistency, according to the press reports only last week, the Chamber of Deputies of France approved a bill authorizing a governmental loan of 400,000,000 francs to Poland. It is alleged this is mainly for military purposes. How can France ask the United States for financial concessions if such a report is accurate? So more and more does it become necessary for nations to sit around the same table and frankly face and solve the present conflicting problems and not compound the confusion and distrust through long distance negotiations or old fashioned drawn-out diplomacy. In other words, bring some order out of the chaos resulting from the effort to enforce the Versailles treaty and the four years of lone-hand administration which has followed.

A casual study of the present condition in foreign exchange must likewise reveal the present status and foretell the inevitable collapse. It is not sufficient to draw attention to the worthlessness of the German mark or the Austrian krone. But when Belgian francs show a drop of 50 per cent in six months, French francs almost as much, Italian lira selling under 5 cents, and still all creditor nations in their relations with Germany, it must be readily understood how remote is the chance of their being able to buy the American dollar and thus trade with us unless we step into the breach and force a stabilization, which under a proper understanding we can do. It must always be remembered that the people of these nations

are not bankrupt. Securities of priceless value are obtainable everywhere, but their Governments must cease their deceiving efforts to delude their own people by false financing and calls on the United States for help or concessions as long as they are unwilling to properly balance budgets and administer a business government. Again, the question of the nature of expenditures must be considered by the United States, and very properly, if we are to be the world's bankers, as it were.

Any such conference to be successful must take into account a reduction "of military expenses." We can not afford to help or encourage Europe to maintain the doubtful peace provided by the treaty of Versailles through preparation for more war.

Until European nations are ready to assemble with an announced readiness to proceed on the basis that peace can best be guaranteed without large armies, there is no place at the conference table for the United States.

Francisco Nitti, former premier of Italy, in his book, *The Decadence of Europe*, just fresh from the press, is authority for the statement that there are now 4,780,953 men under arms in Europe. France has the largest army, with 760,000 men, and Russia next, with approximately 700,000. Military expenditure, in proportion to the population, is greatest in Yugoslavia and France. These figures are much greater than before the war.

However, and notwithstanding the rather involved situation, I have great sympathy for France. She suffered at the hands of Germany almost beyond repair. She is now beset by internal emotions most difficult to influence or control. I do not criticize her occupation of the Ruhr or question her right to do so. I, of course, can not prophesy the direct result of her action so far as it may or may not effect immediate cash returns on account of our due indemnities. I am convinced, however, that her bold stroke will at least reawaken world interest in Germany's failure to meet her promises and obligations and will stimulate the necessity for united effort in an endeavor to meet a situation which unadjusted simply invites open hostilities. Germany has clearly evaded every possible obligation, and with France holding a majority interest in remunerations she could have little sympathy for four-year moratoriums. On the other hand, her occupation should be confined to an endeavor to compel Germany to make a strict accounting, and not with any thought of annexation or subsequent control or of a destruction of her industries. Germany should and must pay to the utmost for her damnable challenge to progress, international comity, and an enlightened civilization, but it should be ascertained in a business way what she can pay and, as stated, then made to do it.

As to preparations for such a conference, in my judgment, the Senate should not attempt to force their hand or to direct the executive department in matters of this character. We are not sufficiently well acquainted with the rapidly changing facts and conditions and it is anyhow an Executive function. I have every confidence in the judgment of the administration. The views of Senators are always in order, but the time for action should not be determined here. The Senate can assist, not by directing the Executive how and when to act but rather when requested by giving the administration the authority necessary to be able to properly represent the interests of the country.

The Senate can not do the negotiating, neither should it be so jealous of its prerogatives and power that it insists in sitting as a judge over every detail of adjustment. No treaties can be ratified without Senate approval, and as the Constitution provides that we have last say, is it not fair and logical that we should be satisfied, without exercising that great power?

When one has the opportunity of having close personal contact with the really appalling conditions in the greater portion of continental Europe and compares them with the prosperity at home, the great difference is all the more appealing, and it makes one feel in spite of our conviction that their policy is wrong, that if there is any way to help adjust the situation without oppressing our own people that it is our duty to use our very best efforts.

If other nations are finally ready to subscribe to the new diplomacy and the Executive must first learn that, then a great opportunity lies open to the United States. The peace of the last four years, which as Clemenceau has well said "has been mainly used as a method of continuing the war," can be transformed into a lasting and abiding peace, and in the words of Nitti:

The people which accomplishes this great task will acquire in the world a prestige which will be vastly superior to any which can be conferred by wealth, by continued success, or by an unbroken chain of victories.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT laid before the Senate resolutions unanimously adopted at a meeting of the Minneapolis Unit No. 85, Steuben Society of America, protesting against the occupation of German territory by the French, and favoring the calling of a world conference to make a new peace conformable to the promises made in the "fourteen points" as they were submitted to the German Government, which were referred to the Committee on Foreign Relations.

Mr. LODGE presented resolutions of the Federal Council of the Churches of Christ in America; of the Chamber of Commerce of the United States; of the Executive Commission of the Church Federation of Harrisburg, Pa.; of the Moorestown Church Federation of Moorestown, N. J.; of the Executive Committee of the Council of Churches of Atlantic City, N. J.; of Methodist Ministers of Milwaukee, Wis.; of the staff of the Young Men's Christian Association of Milwaukee, Wis.; of the Pastors' Association of Bridgeport, Conn.; of the Federation of Churches of Cheyenne, Wyo.; of the Council of Churches of Duluth, Minn.; of the Council of Churches of Dayton, Ohio; and of the Council of Churches of New York City, favoring the adherence of the United States to the protocol under which the Permanent Court of International Justice has been erected at The Hague, which were referred to the Committee on Foreign Relations.

He also presented resolutions adopted by sundry citizens of Provincetown, Mass., in town meeting assembled, favoring the passage of legislation fixing a maximum price of coal, etc., which were referred to the Committee on Education and Labor.

Mr. WARREN presented communications in the nature of petitions of the Federal Council of the Churches of Christ in America, and the Cheyenne (Wyo.) Federation of Churches, praying that the United States enter into the Permanent Court of International Justice at The Hague, which were referred to the Committee on Foreign Relations.

Mr. McLEAN presented petitions of sundry members of Hannah Benedict Carter Chapter, Daughters of the American Revolution, of New Canaan; the board of directors of the Young Women's Christian Association of Bridgeport, and members of the College Club, of Greenwich, all in the State of Connecticut, praying for an amendment to the Constitution governing the passage of legislation regulating child labor, which were ordered to lie on the table.

He also presented a memorial of the Steuben Society of New Haven, Conn., remonstrating against the French occupation of the Ruhr district, which was referred to the Committee on Foreign Relations.

He also presented a petition of the Connecticut League of Women Voters, of Sound Beach, Conn., praying for the passage of the so-called Voigt filled milk bill, which was ordered to lie on the table.

He also presented a memorial of Goddess of Liberty Council No. 3, Sons and Daughters of Liberty, of New Haven, Conn., remonstrating against any relaxing of existing immigration laws, which was referred to the Committee on Immigration.

He also presented a resolution adopted by the annual convention of the Connecticut Dairymen's Association, at Bristol, Conn., favoring the passage of legislation permitting the admission of a total of 3 per cent net immigration in any fiscal year, which was referred to the Committee on Immigration.

Mr. EDGE presented resolutions adopted by the Third Annual State Caucus of the National Disabled Soldiers' League, at Newark, N. J., which were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

A resolution petitioning Congress to authorize the Veterans' Bureau to train 150 men and 9 officers for the permanent caretaker positions and other positions in the national cemeteries in France, Belgium, and England.

Whereas it is the intention of the Quartermaster Corps to employ 9 officers and 150 men for the permanent positions in our national cemeteries in France, England, and Belgium; and

Whereas the United States Veterans' Bureau is to-day training disabled soldiers, who are vocationally handicapped as a result of the recent World War; and

Whereas these disabled soldiers could be trained by the United States Veterans' Bureau for these positions; and

Whereas it is the opinion of this caucus that the disabled soldier would make a desirable employee for these particular positions; and

Whereas, if Congress will grant this petition, it will be the means of rehabilitating 159 men: Now, therefore, be it

Resolved, That the National Disabled Soldiers' League, Department of New Jersey, at the third annual State caucus assembled at Newark, N. J., on February 10, 1923, hereby petition the Senate and the House of Representatives to enact a law authorizing the Veterans'

Bureau to train these 159 men for these permanent cemeterial positions in our national cemeteries in France, England, and Belgium.

This is to certify that this resolution was unanimously adopted at the third annual State caucus of the National Disabled Soldiers' League held in Newark, N. J., on February 10, 1923.

[SEAL.]

THOMAS V. FIELDS,
State Commander.
H. D. MURPHY,
Secretary-Treasurer.

Attest:

FRANK URBAN,
Caucus Secretary.

This is to certify that the Ladies' Auxiliary of the National Disabled Soldiers' League, Department of New Jersey, in third annual State caucus assembled at Newark, N. J., February 10, 1923, did unanimously concur in the above resolution.

[SEAL.]

ROSE WYTHE LEWIS,
State Auxiliary Commander.

Attest:

EDITH BORCHER,
State Auxiliary Secretary.

A resolution petitioning Congress to grant permission to institute an action in the circuit court to contest the legality of the decision of the legal counsel of the United States Veterans' Bureau, which ruled that the bonuses paid disabled men and deducted by the Veterans' Bureau from their training allowances should not be returned.

Whereas the United States Veterans' Bureau issued an order in October, 1921, ordering the deduction of bonuses paid disabled soldiers in placement vocational training by the patriotic merchants, manufacturers, and other business men who had these men in placement vocational training with them; and

Whereas this order was rescinded February 17, 1922, and since that time no further reductions have been made; and

Whereas district No. 2, comprising New York, New Jersey, and Connecticut, are the only States wherein these deductions were made; and

Whereas just a few of the trainees of district No. 2 in vocational training were subjected to this deduction; and

Whereas the National Disabled Soldiers' League has continually petitioned the United States Veterans' Bureau to refund these moneys because of the unfairness of the ruling and because the National Disabled Soldiers' League felt that the ruling must have been wrong, since it was rescinded; and

Whereas the legal counsel of the United States Veterans' Bureau has just recently ruled that these moneys will not be refunded to the disabled veterans: Now, therefore, be it

Resolved, That the National Disabled Soldiers' League, Department of New Jersey, at the third annual State caucus, assembled in Newark, N. J., on February 10, 1923, hereby petition the Senate and House of Representatives of the United States that they be granted permission to institute action in the circuit court of the United States to determine the legality of this unjust decision, which has discriminated against some of our disabled ex-service men.

This is to certify that this resolution was unanimously adopted at the third annual caucus of the National Disabled Soldiers' League, held in Newark, N. J., on February 10, 1923.

[SEAL.]

THOMAS V. FIELDS,
State Commander.
H. D. MURPHY,
Secretary-Treasurer.

Attest:

FRANK URBAN,
Caucus Secretary.

This is to certify that the Ladies' Auxiliary of the National Disabled Soldiers' League, Department of New Jersey, in third annual caucus assembled, at Newark, N. J., February 10, 1923, did unanimously concur in the above resolution.

[SEAL.]

ROSE WYTHE LEWIS,
State Auxiliary Commander.

Attest:

EDITH BORCHER,
State Auxiliary Secretary.

Mr. EDGE presented resolutions adopted by the third annual State caucus of the National Disabled Soldiers' League, at Newark, N. J., which were referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

A resolution petitioning the Congress of the United States to rescind the order of the cemeterial division of the Quartermaster Corps, United States Army, which prohibits the return of American deceased soldiers from our national cemeteries in France, Belgium, and England.

Whereas there are many mothers, wives, and families of our deceased heroes who now rest in our national cemeteries in France, England, and Belgium who desire to have returned the bodies of their loved ones; and

Whereas the cemeterial division of the Quartermaster Corps, United States Army, has issued an order stating that no bodies will be returned from overseas: Now, therefore be it

Resolved, That the National Soldiers' League, in third annual State caucus assembled, hereby petition the Senate and House of Congress of the United States of America to rescind this order and to permit the return of American deceased soldiers from our national cemeteries in France, England, and Belgium, and that a copy of this resolution be sent to the Senate and the House of Representatives.

This is to certify that this is a true copy of the resolution of the above title which was adopted at the third annual State caucus of the National Disabled Soldiers' League, assembled at Newark, N. J., on February 10, 1923.

[SEAL.]

THOMAS O. FIELDS,
State Commander.
K. W. MURPHY,
Secretary-Treasurer.

Attest:

FRANK URBAN,
Caucus Secretary.

This is to certify that the Ladies' Auxiliary of the National Disabled Soldiers' League, Department of New Jersey, in third annual caucus assembled at Newark, N. J., February 10, 1923, did unanimously concur in the above resolutions.

Attest:
[SEAL.]

ROSE WYTHE LEWIS,
State Auxiliary Commander.

EDITH BORCHER,
State Auxiliary Secretary.

A resolution calling upon Congress to grant free transportation to the Gold Star Mothers to visit the graves of their sons in France, Belgium, and England.

Whereas in most cases where the next of kin have requested the Quartermaster Corps to return their loved ones, who paid the supreme sacrifice in defense of our flag, has been granted; and

Whereas there are still 30,000 of our heroes in our national cemeteries in France, Belgium, and England; and

Whereas many of the next of kin are unable to visit the graves of their loved ones in France, England, and Belgium because of the enormous expense connected with such a trip: Now, therefore, be it

Resolved, That the National Disabled Soldiers' League, in third annual State caucus assembled at Newark, N. J., on February 10, 1923, hereby evidence and record their desire to petition the Congress and Senate of the United States to grant free transportation to the Gold Star Mothers, or next of kin, to our national cemeteries in France, Belgium, and England.

This is to certify that this resolution was unanimously adopted at the third annual caucus of the National Disabled Soldiers' League, held in Newark, N. J., on February 10, 1923.

THOMAS O. FIELDS,
State Commander.

K. W. MURPHY,
Secretary-Treasurer.

Attest:

FRANK URBAN,
Caucus Secretary.

This is to certify that the Ladies' Auxiliary of the National Disabled Soldiers' League, Department of New Jersey, in third annual caucus assembled at Newark, N. J., February 10, 1923, did unanimously concur in the above resolution.

Attest:
[SEAL.]

ROSE WYTHE LEWIS,
State Auxiliary Commander.

EDITH BORCHER,
State Auxiliary Secretary.

REPORTS OF COMMITTEES.

Mr. RANSDELL, from the Committee on Commerce, to which was referred the joint resolution (S. J. Res. 209) to establish a national hydraulic laboratory, reported it with amendments and submitted a report (No. 1240) thereon.

Mr. SPENCER, from the Committee on Indian Affairs, to which was referred the bill (H. R. 13835) authorizing the Secretary of the Interior to appraise tribal property of Indians, and for other purposes, reported it with amendments and submitted a report (Rept. No. 1241) thereon.

Mr. SMOOT, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them severally without amendment:

H. R. 624. An act for the relief of Albert H. White, Mary E. Fowler, Lorena B. Winkler, E. E. White, and C. A. White (Rept. No. 1242);

H. R. 8625. An act to provide for the cession to the State of Michigan of certain public lands in the county of Keweenaw, State of Michigan (Rept. No. 1246);

H. R. 12171. An act to grant certain lands to the city of Skagway, Alaska, for a public park (Rept. No. 1243);

H. R. 13724. An act for the relief of Hugh Marshall Montgomery (Rept. No. 1244); and

H. R. 14296. An act to authorize the county of Huron, State of Michigan, to convey a certain described tract of land to the State of Michigan for public-park purposes (Rept. No. 1247).

Mr. BORAH, from the Committee on Education and Labor, to which was referred the bill (S. 4635) to amend the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, reported it with an amendment.

Mr. CAMERON, from the Committee on Military Affairs, to which was referred the bill (H. R. 1252) for the relief of John A. Douglas, reported it without amendment and submitted a report (No. 1248) thereon.

Mr. BURSUM, from the Committee on Military Affairs, to which was referred the bill (H. R. 13004) authorizing the Secretary of War to lease to the Kansas Electric Power Co., its successors and assigns, a certain tract of land in the military reservation at Fort Leavenworth, reported it without amendment.

ENROLLED BILL PRESENTED.

Mr. SUTHERLAND, from the Committee on Enrolled Bills, reported that on February 27, 1923, they presented to the President of the United States the enrolled bill (S. 3083) authorizing the Baltimore & Ohio Railroad Co. to construct an elevated railroad siding adjacent to its tracks in the city of Washington.

RIO GRANDE RIVER BRIDGE BETWEEN TEXAS AND MEXICO.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably with amendments the bill (S. 4592) granting the consent of Congress to the Eagle Pass & Piedras Negras Bridge Co. for construction of a bridge across the Rio Grande between Eagle Pass, Tex., and Piedras Negras, Mexico, and I submit a report (No. 1245) thereon. I ask unanimous consent for the immediate consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendments of the Committee on Commerce were: On page 1, line 7, after the word "navigation," to strike out "and to purposes for which said bridge is to be operated"; in line 10, after the word "Mexico," to strike out "to unite and connect the street railroad to be constructed by said corporation in the said city of Eagle Pass with any street railroad that may be constructed by any person or company in said city of Piedras Negras, and to build and lay on and across said bridge ways for the passage of animals, foot passengers, and vehicles of all kinds and charge a reasonable toll therefor, subject to reasonable revision and regulation by the Secretary of War"; and on page 2, at the end of line 10, to strike out the period and insert a colon and the following proviso: "Provided, That the consent of the proper authorities of the Republic of Mexico to the construction, maintenance, and operation of the bridge shall also be obtained"; so as to make the bill read:

Be it enacted, etc., That the consent of Congress be, and is hereby, granted to the Eagle Pass & Piedras Negras Bridge Co., a corporation organized under the laws of Texas, to construct, maintain, and operate a bridge and approaches thereto, at a point suitable to the interests of navigation across the Rio Grande between Eagle Pass, Tex., and Piedras Negras, Mexico, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906: *Provided*, That the consent of the proper authorities of the Republic of Mexico to the construction, maintenance, and operation of the bridge shall also be obtained. Sec. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LEASE OF LAND FOR GOVERNMENT HOTEL.

Mr. FERNALD. Mr. President, from the Committee on Public Buildings and Grounds I report favorably a Senate joint resolution which I ask to have read at length and for which I ask immediate consideration. In the event that any explanation is necessary, which I think is not, I shall ask unanimous consent to be given five minutes to make a statement.

The joint resolution (S. J. Res. 290) authorizing the President of the United States to lease certain land in the District of Columbia, and pay rental from revenues derived from the operation of Government hotels for Government workers, was read the first time by its title and the second time at length as follows:

Resolved, etc., That the President of the United States be, and he is hereby, authorized to enter into an agreement of lease with the owner or owners of squares Nos. 632, 681, and part of 680 in the city of Washington, D. C., for the use and occupancy of the said land by the Government, for the period commencing on the 14th day of November, 1922, and terminating on the 31st day of January, 1924, or any extension thereof, at a fair and reasonable rental, to be determined by him, and he is further authorized to pay the said rental out of the money collected from the operation of the Government hotel for Government workers in the District of Columbia: *Provided*, That the charges made to occupants of said buildings upon said premises shall be sufficient to meet said rental to be paid to said railway company in addition to all charges and expenses now paid by the said United States Housing Corporation: *Provided further*, That the President may exercise the power and authority herein granted through such agency as he may designate.

The VICE PRESIDENT. Is there objection to the immediate consideration of the joint resolution?

Mr. JONES of Washington. Mr. President, the other morning we had a bill reported in this way and unanimous consent was given for its immediate consideration, and it took up the whole morning hour. I am not willing to give my consent unconditionally to the consideration of bills or other measures reported from committees. If it will take but a short time to dispose of the joint resolution reported by the Senator from Maine, I am perfectly willing to have it taken up, but I want it done with the understanding that if it leads to prolonged debate an objection may be entered and the joint resolution will go to the calendar.

Mr. BAILL. Mr. President, I would like to state that the bill to which the Senator refers was reported from the Committee on the District of Columbia. The joint resolution just reported really comes from that committee, although reported from a

different committee. The amendments which caused the discussion on the bill the other day will not be proposed to the joint resolution now presented.

Mr. JONES of Washington. But other amendments may be proposed, and I give my consent with the condition understood that an objection may be interposed at any time.

Mr. FERNALD. I ask that the joint resolution be taken up under the five-minute rule.

Mr. SMOOT. Mr. President, there was so much confusion in the Chamber that I could not hear the reading of all the joint resolution, but from the little I did hear I gathered that the amount of the rental is to be left to the President of the United States, and that the President is to pay the amount of the rental out of the receipts from the so-called hotel. Does the Senator from Maine think that there will be receipts enough to pay the rental? Up to the present time they have only been able to pay expenses out of the receipts.

Mr. FERNALD. Last year there was a credit of \$86,000 from the operation of these hotels. If it shall become necessary to advance the price a dollar a week, the girls are perfectly willing to pay that. Unless some legislation be enacted, those hotels will probably be torn down on the 1st day of April. Such action, it seems to me, would be exceedingly unfortunate. There will be no expense to the Government in this matter. These girls ought to be allowed to remain there, in my judgment, until such time at least as those buildings shall require extensive repairs.

The whole United States is represented there. I do not think there is a State in the Union but has girls living in those buildings, and that is true as to almost every Representative district.

Mr. SMOOT. Mr. President, I am not objecting to the girls remaining there, but I doubt whether the President can carry out the direction of this joint resolution. It evidently means that the expense shall be paid out of the receipts which come to the Housing corporation from the employees of the Government residing in the buildings. The Senator says that there was a credit of \$86,000, but that does not pay all of the expenses by any manner of means. Does the Senator have any idea of what the rent is going to be?

Mr. FERNALD. I have no idea at all as to that, because I had no authority to determine the question. I am satisfied that the prices charged the girls residing in the buildings may be readily advanced to pay the rental for the land. It seems to me that some legislation must be enacted by this Congress. The committee went into the matter very carefully. We have some very good lawyers on the committee. We decided unanimously that this was the best way to handle the situation. The chairman of the Committee on Public Buildings and Grounds in the other House agreed with us, and this seemed to be the one piece of legislation which we could promptly have passed through both branches of Congress.

Mr. SMOOT. Does the Senator from Maine desire the Senate to understand that the increased charge to the employees who are now occupying the rooms in those buildings will take care of the rent of the ground?

Mr. FERNALD. Yes, sir; I do.

Mr. SMOOT. Is that perfectly understood?

Mr. FERNALD. Of course, that is provided in the joint resolution.

Mr. ROBINSON. Mr. President, can the Senator from Maine state what rental it is proposed shall be paid to the railroad company?

Mr. FERNALD. I will say to the Senator from Arkansas that I can not. That property was condemned in 1913. Then the Baltimore & Ohio Railroad Co. granted the Government a lease of the land until one year after the close of the World War. That time expired on the 14th day of last November. Since 1913 the railroad company, I think, have paid about \$75,000 in taxes. The taxes on this particular piece of land are in the neighborhood of \$20,000 a year, and, of course, the railroad company is anxious to sell it.

Mr. ROBINSON. How much has the Government been required to pay for the lease?

Mr. FERNALD. The Government has been required to pay nothing at all for the lease except the taxes on the land.

Mr. ROBINSON. But the Government did pay the taxes?

Mr. FERNALD. Yes; the Government paid the taxes. The term of the lease expired last November. No one on the committee, however, knew that it had expired until last week. Then there was no opportunity to go into it sufficiently thoroughly to undertake to purchase the land, though, of course, the Government must eventually have it. So we thought this was the best way to handle the matter until the convening of another Congress.

Mr. ROBINSON. Neither the Senator nor his committee has undertaken to ascertain the terms upon which a new lease may be obtained?

Mr. FERNALD. No; but I thought the matter was of sufficient importance to investigate; so, after talking with the real-estate department of the railroad, I called up Mr. Willard, the president of the road, and he said, "We desire to do whatever the Government wants to do. There is going to be no forcing of a sale there." I told him that I believed it was not at this time feasible to make that purchase. He said, "If you feel that the Government should have a lease of the land, the railroad company will be perfectly willing to lease you the property for a nominal sum."

Mr. ROBINSON. If this joint resolution is not passed or if some action is not taken by Congress to retain the right of the Government to occupy the area, what will occur?

Mr. FERNALD. Beyond a doubt the buildings will be taken down on the land which is owned by the Baltimore & Ohio Railroad Co.

Mr. ROBINSON. Then the occupants will be required to find other quarters in which to live?

Mr. FERNALD. They will be turned out of doors. We have six buildings there, outside the power house and other property.

Mr. OVERMAN. How many girls are quartered in those buildings?

Mr. FERNALD. There are 1,876 girls now there, and there is a waiting list of several hundred. There has never been a time when every room was not occupied except for a few months, for a short time, I think, two years ago.

Mr. ROBINSON. Under the conditions respecting the rentals of apartments in the city of Washington I think it would be calamitous to permit these buildings to be destroyed at this time.

Mr. SMOOT. Mr. President, in reading the resolution I find there is no mention whatever of any increase in the charge for rooms in order to meet this additional amount for the payment of the rent.

Mr. FERNALD. That may be done by the manager of the buildings there. He is allowed to advance or decrease the rent. At first the charges were \$55 per month, then they were reduced to \$50 a month, then to \$47.50, and now they are \$45 and \$43 per month. The manager may at any time decrease or advance the price.

Mr. KING. Mr. President, will my colleague yield to me?

Mr. SMOOT. I yield to my colleague.

Mr. KING. Mr. President, I am going to ask the Senator from Maine to accept an amendment. I will say it is prompted by a suggestion which has been made by my colleague. I suggest the following amendment to the joint resolution:

Provided, That the charges made to the occupants of said buildings upon said premises shall be sufficient to meet said rental to be paid said railroad company in addition to all charges and expenses now paid by the United States Housing Corporation.

Will the Senator from Maine accept that amendment?

Mr. FERNALD. I have no objection to that amendment. I think, however, it is already covered by the joint resolution as it now stands.

Mr. KING. I do not think so.

Mr. McKELLAR. What rental is it proposed shall be paid?

Mr. FERNALD. There is no proposition of that kind. I was not authorized to make any proposition, but we said it should be a fair and reasonable rate of rental.

Mr. McKELLAR. Unquestionably these buildings ought to be retained for the present; I concur with the Senator entirely about that, and I hope the joint resolution may pass; but we are proposing to give to the railroad company rights and privileges, and we ought to make some arrangement with them by which no extra cost shall be entailed upon the Government.

Mr. KING. Mr. President, the Senator from Maine, as I understand him, has accepted the amendment which I have hastily prepared and which I have read?

Mr. FERNALD. The amendment proposed by the Senator from Utah is entirely satisfactory to me.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Utah.

The amendment was agreed to.

The joint resolution was reported to the Senate as amended, and the amendment was concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

THE CALENDAR—UNANIMOUS-CONSENT AGREEMENT.

Mr. CURTIS. I desire to submit a request for unanimous consent. I ask unanimous consent that at the conclusion of the routine morning business the Senate shall proceed with

the consideration of the calendar, disposing of unobjected bills, commencing at No. 996, which is the number where the Senate left off when the calendar was last under consideration.

Mr. McKELLAR. What effect will that have on the unanimous-consent agreement which we already have?

Mr. CURTIS. It will not affect that.

Mr. ROBINSON. Mr. President, I have no objection to the request. I think the unobjected bills on the calendar ought to be disposed of as quickly as possible.

Mr. KING. Mr. President, I shall have no objection to that, because I know the importance of disposing of the bills upon the calendar, but I have upon the table a resolution calling for the action of the Senate upon the proposal of the President of the United States recently submitted with respect to the international court of justice. I shall seek during the day an opportunity to present that resolution to the Senate, but I shall not object now to the request made by the Senator from Kansas.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kansas? The Chair hears none, and the unanimous-consent agreement is entered into.

Mr. JONES of New Mexico. Mr. President, owing to the confusion which obtained in the Chamber at the time the Senate was proceeding under the order of petitions and memorials, I failed to get the attention of the Chair. I ask now to refer to a petition coming from the Legislature of the State of New Mexico regarding the extension of the time during which cattle taken over into old Mexico for pasturage purposes may be returned to the United States without the payment of duty.

The House of Representatives has passed a bill upon that subject, which bill has been referred to the Finance Committee of the Senate and a unanimous report has been made by the Finance Committee, with the recommendation that a couple of amendments be added to the bill, making it a little more specific. I ask unanimous consent for the consideration of that bill.

Mr. CURTIS. Mr. President, in view of the unanimous-consent order I think I ought to object to the request of the Senator from New Mexico. The bill to which he refers will be reached in the morning hour between now and 1 o'clock.

Mr. JONES of New Mexico. I doubt whether it will be reached, because it comes rather late on the calendar.

Mr. CURTIS. Only unobjected bills are to be taken up, and I think the bill in which the Senator is interested will be reached if we proceed expeditiously.

The VICE PRESIDENT. Objection is made.

INVESTIGATION OF DISTRICT STREET RAILWAYS.

Mr. CALDER. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably Senate Resolution 456, providing for the appointment by the Vice President of a special committee to inquire into the traffic situation in this city and also resolutions providing for the reappointment of certain clerks of certain committees of the Senate. I ask unanimous consent for the present consideration of these resolutions.

Mr. JONES of Washington. Mr. President, I understand that there are 10 or 12 of these resolutions, and I think they should go to the calendar. It seems to me that bills on the calendar should be taken up before we consider resolutions providing for the appointment of additional clerks to serve during the vacation.

Mr. McKELLAR. I hope the Senator from Washington will not object to the resolution with respect to street car fares.

Mr. JONES of Washington. I have no objection to the one with reference to the street car situation.

Mr. McKELLAR. I ask unanimous consent for the present consideration of that resolution.

The VICE PRESIDENT. Is there objection?

Mr. BRANDEGEE. Mr. President, the Senator from Illinois [Mr. McKINLEY] told me that he desired to be here at the time that resolution was considered; that he was called away to one of the departments for an hour, and he would be back.

Mr. McKELLAR. I will let it go over now, then, and call it up later in the day when he can be here.

Mr. BRANDEGEE. Very well.

Mr. CALDER. Mr. President, is there objection to the immediate consideration of these other resolutions?

Mr. CURTIS. Let them go to the calendar.

Mr. CALDER. I withdraw the reports for the present.

Mr. McKELLAR. I presume that does not include the street railway matter.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DILLINGHAM:

A bill (S. 4644) authorizing the superintendent of the Washington Asylum and Jail to execute the judgments of the courts in

the District of Columbia in capital cases, and ratifying and confirming appointments to the position of such superintendent made by the Commissioners of the District of Columbia; to the Committee on the Judiciary.

By Mr. MOSES:

A bill (S. 4645) granting an increase of pension to J. Alphonso Courtremanche (with accompanying papers); to the Committee on Pensions.

By Mr. BURSUM:

A bill (S. 4647) for the relief of the Maryland Casualty Co.; to the Committee on Claims.

By Mr. CALDER:

A bill (S. 4648) for the relief of Louis Leavitt; to the Committee on Claims.

SHIPMENT OF FILLED MILK.

Mr. DIAL submitted an amendment intended to be proposed by him to the bill (H. R. 8086) to prohibit the shipment of filled milk in interstate or foreign commerce, which was ordered to lie on the table and to be printed.

CLAIMS OF CERTAIN OIL COMPANIES.

Mr. McKELLAR submitted an amendment intended to be proposed by him to the bill (S. 4479) for the relief of Rose City Cotton Oil Mill and others, which was referred to the Committee on Claims and ordered to be printed.

AMENDMENTS TO THIRD DEFICIENCY APPROPRIATION BILL.

Mr. LODGE submitted an amendment authorizing the Secretary of Labor, under such regulations as he may deem advisable, to pay extra compensation to immigrant inspectors and other immigration employees when, at the request of any transportation company, corporation, or individual bringing aliens to the United States, such officers or employees are required to report for extra duty or to work overtime, or on nights, Sundays, or holidays in connection with the examination of alien passengers or crews; and the transportation company, corporation, or individual requesting such extra service shall pay to the Secretary of Labor as reimbursement the amounts expended by him for such extra service in accordance with his regulations, and such reimbursement shall be credited to the appropriation "Expenses regulating immigration," intended to be proposed by him to House bill 14408, the third deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. SPENCER submitted an amendment proposing to increase the salary of the laborer in charge of private passage, under the office of Sergeant at Arms and Doorkeeper of the Senate, intended to be proposed by him to House bill 14408, the third deficiency appropriation bill, which was ordered to lie on the table and to be printed.

ANNOTATION OF SENATE RULES.

Mr. CURTIS submitted the following resolution (S. Res. 459), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That an annotation be made of the Standing Rules of the Senate with the more important decisions on points of order and parliamentary questions listed and digested under each rule, with a full index, and that 1,000 copies be printed and bound for the use of the Senate. The Rules Committee is authorized to employ a competent person to assist in preparing the annotation, if necessary, his compensation to be paid out of the contingent fund of the Senate.

ENCOURAGEMENT OF IMMIGRATION.

Mr. SPENCER. I ask unanimous consent to have printed in the Record a letter from the St. Louis Malleable Casting Co. which contains some valuable information on the immigration question which I think will be of great interest to the Senate.

There being no objection, the letter was ordered to be printed in the Record as follows:

ST. LOUIS MALLEABLE CASTING CO.,
St. Louis, February 23, 1923.

HON. SELDEN P. SPENCER,
Washington, D. C.

MY DEAR SENATOR: In reference to the various proposed bills on immigration, I desire to explain to you the situation in our line of business, which is the manufacturing of malleable-iron castings, as shown by the above letterhead.

There are 73 malleable-iron foundries in the United States, each employing from 150 to 2,000 men, and nearly half of these are what are known as molders (skilled labor). Before the war when foundries were running to full capacity they employed from 40 to 80 per cent foreigners—Poles, Hungarians, Italians, Germans, Frenchmen, Belgians, and Swedes.

The malleable foundries of this country have an association, meeting once a month, and at the last meeting it was learned that there is not a single foundry in the United States in this line but what is suffering for the want of molders.

After the armistice so many men returned to Europe and so few came back since then that we are really suffering for the want of these men. We have plenty of business, but not enough molders.

In Poland, Germany, Belgium, and Hungary we know positively that there are thousands of molders out of employment and their families suffering almost to starvation.

If the laws would permit us we would be only too happy to pay the fare of any of these molders that wanted to come here and guarantee them steady employment for a year, earning from \$7 to \$9 daily, out of which they could not only support themselves but their families in Europe, and at the end of the year, if they would not want to remain here, we would be glad to pay their fare back, but we are sure that before the year was up many of them would send for their families. In the meantime the terrible situation with them in Europe and us here would be relieved.

Can not something be done that we can get these men? We are positive that 5,000 molders at least could obtain positions immediately if they were here.

Anything at all that can be done to relieve this situation will certainly be very much appreciated, not only by us but by every foundry in the country.

The gray iron and steel foundries, who employ even more molders than the malleable foundries, are also in the same position.

Assuring you, dear Senator, that any relief we can obtain from this situation will be more than appreciated, I am

Yours most respectfully,

CHAS. G. ETTÉ,

General Manager St. Louis Malleable Casting Co.

TAXATION OF THE RAILROADS.

Mr. CALDER. Mr. President, I am in receipt of resolutions adopted by the New York Board of Trade and Transportation relating to the increasingly heavy burden of taxation imposed upon the railroads, and having particular reference to some remarks made by the Senator from Idaho [Mr. BORAH] in the Senate. I ask unanimous consent that the resolutions may be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

NEW YORK BOARD OF TRADE AND TRANSPORTATION, New York City.

At a general meeting of the New York Board of Trade and Transportation held this day, Wednesday, February 21, 1923, in the rooms of the board, New York City, the committee on taxation reported the following preamble and resolutions, which were unanimously adopted by the board:

DEPRECATING THE INCREASINGLY HEAVY BURDEN OF TAXATION WHICH THE RAILROADS HAVE TO CARRY.

Whereas Senator BORAH, in the course of a speech in the United States Senate on December 21 last, said:

"We discuss considerably in these days the question of reducing freight rates; and the reduction of freight rates is an indispensable step in the recovery of our producing classes, because at the present time the freight rates are such as to take away all possible profit from that which they may produce. It will be very difficult to reduce freight rates if we continue in this country to increase taxes upon railroads as we have for the last four years. More than one-half of all the net earnings of the railroads which I shall mention was taken during the last year to pay taxes"; and

Whereas the roads mentioned by the Senator are: The Santa Fe, the Chicago & North Western, the Chicago, Milwaukee & St. Paul, the Great Northern, the Southern Pacific, and the Union Pacific; and

Whereas the Senator pointed out also that in the State of Idaho taxes on the railroads were \$540 per mile in 1916, but had risen to \$1,458 per mile in 1920; in Oregon the taxes per mile on the roads were \$530 in 1916, but had risen to \$1,061 in 1920; in Washington, \$772 in 1916 and \$1,709 in 1920; and

Whereas while these illustrations were drawn only from western roads, the burden of taxation is in fact nationwide. The taxation per mile of line on class 1 roads throughout the country was \$680.12 in 1916; it was \$921.28 in 1917; \$956.09 in 1918; \$994.36 in 1919; \$1,159.03 in 1920, and \$1,179.05 in 1921; and

Whereas the total burden of taxation of class 1 roads for 1916 was \$157,113,372; in 1917 the total taxation was \$213,920,095; in 1918 it was \$223,175,379; in 1919, \$232,601,396; in 1920, \$272,061,453; in 1921, \$275,882,150; and for class 1 roads the total taxes in 1921 were almost three times as great as in 1911: Therefore be it

Resolved by the New York Board of Trade and Transportation, That we cordially commend Senator BORAH for calling the attention of the Congress to the excessive increase of taxation levied upon the railroads of the country in recent years and we heartily approve his views in this respect and commend his efforts to show the people that by such excessive burdens the railroads and the Interstate Commerce Commission are seriously hindered in their desire to meet the needs and demands of the country for a reduction of railroad rates and passenger fares, which of necessity must be paid by the shippers and passengers.

Resolved, That we extend to Senator BORAH the assurance of the support of this board in this respect and express the hope that he will continue his laudable efforts, in which we hereby pledge him our fullest cooperation.

Respectfully submitted,
[SEAL.]

B. B. ODELL, Acting Chairman,
SAMUEL S. CONOVER,
J. S. BACHE,
M. L. SEIDMAN,
ALEXANDER GILBERT,
For the Committee on Taxation.

A true copy.

LEE KOHNS, President.

Attest:

FRANK S. GARDNER, Secretary.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that the President had approved and signed the following acts:

On February 26, 1923:

S. 851. An act authorizing the Secretary of War to make settlement with the lessees who erected buildings on a five-year lease on the zone at Camp Funston, Kans., and for other purposes;

S. 2023. An act defining the crop failure in the production of wheat, rye, or oats by those who borrowed money from the Government of the United States in the years 1918 and 1919 for the purchase of wheat, rye, or oats for seed, and for other purposes;

S. 3350. An act for the relief of Alice M. Gorman;

S. 4310. An act for the relief of the owners of the steamship *Mohican*;

S. 4311. An act for the relief of the owners of the steam lighter *Comport*; and

S. 4522. An act authorizing the Secretary of State to convey certain land owned by the United States in Santiago, Chile, to the municipality of that city and to acquire or receive in exchange therefor other land located in the said city.

On February 27, 1923:

S. 3611. An act authorizing and directing the Secretary of War to abrogate a contract lease of water power on the Muskingum River;

S. 4358. An act to authorize the American Niagara Railroad Corporation to build a bridge across the Niagara River between the State of New York and the Dominion of Canada; and

S. 4411. An act granting the consent of Congress to the cities of Minneapolis and St. Paul, Minn., or either of them, to construct a bridge across the Mississippi River in section 17, township 28 north, range 23 west of the fourth principal meridian, in the State of Minnesota.

On February 28, 1923:

S. 3593. An act to authorize an exchange of lands with owners of private land holdings within the Glacier National Park; and

S. 4187. An act to extend the time for payment of charges due on reclamation projects, and for other purposes.

INTERNATIONAL COURT OF JUSTICE.

The VICE PRESIDENT. Resolutions coming over from a previous day are in order.

Mr. KING. Mr. President, a moment ago I stated that I had a resolution lying upon the table. In view of the manifest desire of Senators to proceed with the consideration of bills on the calendar, I shall pretermit for the moment asking for the consideration of the resolution to which I have just referred.

LIQUOR SALES BY SHIPPING BOARD.

The VICE PRESIDENT. The Secretary will state the other resolutions coming over from previous days.

The reading clerk read Senate Resolution 446, submitted by Mr. McKELLAR on the 19th instant, as follows:

Resolved, That the Shipping Board report to the Senate at the earliest practicable hour the following:

1. What quantity of whisky, wine, beer, and other alcoholic beverages was sold on Shipping Board vessels during the time that such sales were carried on with the approval of the Shipping Board?

2. What was the quantity dispensed per vessel?

3. What quantity of these liquors was purchased by the Shipping Board or by its agents, and what was the total value thereof and the total receipts thereof per vessel?

4. How many pints, quarts, and cases of liquor were sold to passengers independent of what they purchased over the bars of the vessels?

5. How much liquor was purchased by the crews of such vessels and what was the value thereof?

6. Was liquor served as a part of the crews' mess and could the crews of such vessels purchase liquor freely?

7. How many pints, quarts, gallons, and barrels of whisky, wine, beer, and cognac and other intoxicating beverages were in the possession of the Shipping Board when the order was given to stop selling same aboard vessels?

8. Has any of these liquors been sold in the United States?

9. Where is this liquor at the present time? If disposed of, to whom, at what prices, where shipped, and what was total amount of sales?

10. Was any of it sold to officers or members of the crews of such vessels or to any employees of the Shipping Board, and at what prices, when the order for stoppage of sales was given?

11. Did any of the officials of the Shipping Board or officers of Shipping Board vessels engage in the sale of liquors to passengers aboard vessels for private gain?

12. To what extent, if any, is liquor being sold aboard vessels at the present time? Are any prohibition enforcement officers allowed aboard such vessels?

13. What was total amount of profits made by the Shipping Board out of sales of intoxicating beverages?

Mr. McKELLAR. I ask unanimous consent for the immediate consideration of the resolution.

The VICE PRESIDENT. Is there objection?

Mr. JONES of Washington. I think it ought to go over.

The VICE PRESIDENT. The resolution will be placed on the Table Calendar.

FEDERAL AND STATE DEBTS.

The reading clerk read Senate Resolution 451, submitted by Mr. NORRIS on the 26th instant, as follows:

Whereas the public debts of the United States and of the several States and their political subdivisions, many of which are exempt from taxation, have reached enormous proportions of the total wealth of the country; and

Whereas many of the agricultural, manufacturing, and other industries, or trades, of the country are suffering from heavy indebtedness and from burdensome taxation; and

Whereas the situation as to international debts in relation to the revival of productive enterprise throughout the world presents a problem of great complexity, and a general accounting with regard to the economic position of this country is necessary in order to formulate an intelligent policy: Now, therefore, be it

Resolved, That the Federal Trade Commission is hereby directed to make an inquiry into, and to compile data concerning, the total amount of the chief kinds of wealth in the United States, including land, improvements, movables, and other tangible and intangible goods, and also the ownership thereof, and the various liabilities incumbent thereon, including public and private debts of various kinds, corporation stocks and other choses in action, and to make inquiry into, and compile data concerning, the amount of the annual increase in national wealth in recent years in different lines of economic activity, and of the income received by different classes of the population, including data as to the amount of the income from securities exempt from taxation under the Federal income and profits taxes; and to make report on the aforesaid matters, as soon as practicable: *Provided, however*, That in respect to such data no information shall be reported or published which would reveal the amount of wealth, property, indebtedness, or income of any person, partnership, or corporation; and be it further

Resolved, That in accordance with section 8 of an act approved September 26, 1914, entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," the President is requested to direct the Internal Revenue Bureau of the Department of the Treasury, the Census Bureau of the Department of Commerce, the Interstate Commerce Commission, the Federal Reserve Board, and such other departments or Government establishments as may have information with respect to the foregoing matters, whether in the form of individual or corporation reports or otherwise, to give access to such information and to render such assistance in the compilation thereof as may be requested by the Federal Trade Commission and approved by the President.

Mr. NORRIS. Mr. President, the Senator from Illinois [Mr. McCormick], who is not in the Chamber—I sent for him some time ago in anticipation of this resolution being reached—desired to offer an amendment to it. He was here when I introduced it, and it went over. I think there is no objection to the resolution and I have no objection to his amendment. He did not leave it with me. Did he leave it at the desk?

The VICE PRESIDENT. The Chair is informed that he did not.

Mr. NORRIS. With the understanding that I can call up this resolution when the Senator from Illinois comes into the Chamber, I do not want to delay the Senate, but still I do not want it to go over for the day. I ask unanimous consent that it may be temporarily passed over, so that I can call it up later in the day.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. NORRIS subsequently said: Mr. President, the Senator from Illinois has now returned. I ask that the resolution which I had temporarily laid aside be now taken up.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. NORRIS. The Senator from Illinois has an amendment.

Mr. MCCORMICK. Mr. President, I offer the amendment which I send to the desk and ask that it be stated.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. It is proposed to add, at the proper place, the following:

The commission shall further present tables to show, by States the aggregate taxes levied by municipalities and by other local taxing bodies and by the States for the last completed fiscal year, and for the corresponding fiscal year five years ago.

Mr. NORRIS. I have no objection to the amendment, Mr. President.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. FERNALD. Mr. President, have we any information about the expense of this commission? How many men will the investigation require? Are we about to establish another commission to travel over the country, like the Federal Trade Commission, and determine the value of railroads?

Mr. NORRIS. No, Mr. President. It will cost some money, it is true; but I understand—at least, it is my idea—that all this information is in existence. It is scattered all over, as the resolution itself shows, in the Internal Revenue Bureau, the Federal Trade Commission itself, the Interstate Commerce Commission, the Census Bureau, and perhaps some others. The idea I had in proposing the resolution was to compile the information and get it together as one document.

Mr. JONES of Washington. It is not a committee of the Senate, is it?

Mr. NORRIS. It is not a committee of the Senate.

The VICE PRESIDENT. The question is on agreeing to the resolution as amended.

The resolution, as amended, was agreed to.

TAXICAB AND AUTOMOBILE RATES IN THE DISTRICT.

Mr. HARRISON. Mr. President, I offered a resolution that properly should have been on the table, but it was allowed to go to the committee. It has been reported, and I ask for its consideration. There can not be any objection to it. It is Senate Joint Resolution 283.

The VICE PRESIDENT. The Secretary will read the joint resolution.

The resolution (S. J. Res. 283) directing the Public Utilities Commission of the District of Columbia to investigate rates charged by taxicabs and automobiles for hire, was read, as follows:

Resolved, etc., That the Public Utilities Commission of the District of Columbia be, and it is hereby, directed to make full and complete investigation of the rates charged by the owners or operators of taxicabs and automobiles for hire in other cities and in the District of Columbia, and to recommend to the Commissioners of the District of Columbia for action and enforcement such rates as may be reasonable and which may compare with such rates as are permitted to be charged by the owners or operators of automobiles and taxicabs for hire in other cities of the United States.

That the Commissioners of the District of Columbia shall make full report of the investigations and findings of the Public Utilities Commission on or before the convening of the next regular session of the Sixty-eighth Congress.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

THE MERCHANT MARINE.

Mr. CARAWAY. Mr. President, I introduce a bill which I ask to have referred to the Committee on Commerce.

The bill (S. 4646) to provide for the disposal of vessels held by the United States Shipping Board was read twice by its title.

Mr. CARAWAY. Mr. President, I should like the attention of the Senator from Washington [Mr. Jones].

The ship subsidy bill, I understand, is to go to its grave to-day, amid the rejoicing of all who do not think that all the people ought to be taxed to enrich the few. The bill authorizes the Shipping Board to turn over, under such conditions as the board may direct, to States or municipalities or other political subdivisions thereof ships sufficient to care for the commerce of their ports. Among these are regulations requiring those who receive the vessels to give bond to keep them in repair and insured and to operate them on trade routes which shall be approved by the said Shipping Board.

If Mobile, Ala., New Orleans, La., Galveston, Tex., or Newport News, Va., Seattle, Wash., Los Angeles, Calif., New York City, or Wilmington, N. C., believe that they are entitled to additional shipping, the board will be authorized to turn over these vessels to them without charge, upon condition that they shall operate them for five years upon the routes where ships are needed. If, at the expiration of that time, they have observed their charter agreements, and will agree to operate the vessels for a period of three years longer, the Government will transfer title to the ships to these municipalities or governmental agencies of the States, and they thereafter will own the ships, conditioned upon their continuing their operation.

As it is now, I understand, judging from an interview of Mr. Lasker, that the Shipping Board will sacrifice all these vessels. Instead, then, of giving them to private individuals who wish to speculate upon them, or selling them to be junked at a price that is not at all commensurate with their real value—practically no price at all—the Government will part with title to municipalities or States or subdivisions of the States that may see fit to take these vessels, conditioned upon their operation. I hope the chairman of the Committee on Commerce will call a committee meeting and let us report the bill.

Mr. President, I desire to make a brief statement also in reference to the shipping bill that is just about to be withdrawn.

I did not engage in any filibuster against the bill. I am willing for the majority to carry the responsibility of the legislation, if it cares to enact it; but we have 1,400 ships, that cost us somewhere near \$3,000,000,000. It is admitted that they can not be operated now without loss. The policy of the shipping bill that we have been considering was to let private indi-

viduals have these vessels at whatever price they might see fit to give, and, in addition, to give them a subsidy.

Mr. CURTIS. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state his point of order.

Mr. CURTIS. Is the Senator limited to five minutes this morning? We have a unanimous-consent agreement to dispose of unobjectioned bills.

Mr. CARAWAY. I have no desire to interfere with the consideration of bills on the calendar, and I will suspend at this time. I will complete the statement later.

The VICE PRESIDENT. Without objection, the bill introduced by the Senator will be received and referred to the Committee on Commerce.

Mr. CARAWAY subsequently said: Mr. President, if all the Senators who wish to confess that their faith is different from their vote—in other words, that their vote is on one side and their wish is on the other—have concluded, I wish to finish the statement I started to make a few moments ago, but which I had not finished when I acceded to the suggestion of the Senator from Kansas [Mr. CURTIS] that I yield for the consideration of other matters during the morning hour. I wish now to complete the statement which I intended to make, and I shall not long delay the vote on the motion of the Senator from North Dakota [Mr. LADD] to take up the filled milk bill.

Mr. President, the bill I introduced this morning authorizes the Shipping Board to deliver ships to any State, municipality, or a subdivision of a State that would undertake to keep the ships in repair, insured, and in operation. It has been charged that the Shipping Board intends to wreck this fleet, or, if not to wreck it, to give it to its favorites. As I said this morning, it is admitted that the ships can not be operated without a loss at this time. It has been asserted, however, that within 10 years, with certain subsidies, the ships could become self-sustaining. I do not know as to that, but I wish to say—and I think I possibly partly stated it—

The VICE PRESIDENT. The Senate will be in order.

Mr. CARAWAY. Mr. President, I am not complaining about the disorder. It is always customary after a funeral for the friends to get together and recite the good qualities of the deceased. I do not object to their now doing that, because it will not take them very long, for the deceased shipping bill had so few good qualities that the noise will be over in a minute.

We own the ships; the American people paid for them. The proposed plan that is to be displaced is in effect to give these ships to private parties, and to give with the ships the right to tax the American people at least \$750,000,000, and perhaps \$1,000,000,000, in order to make profitable the operation of these ships. After the American public shall have lost its ships and after it shall have paid another billion dollars to private individuals to experiment with operating the ships, if the experiment proves successful those private interests will own the ships and the American public would be out its original investment of \$3,000,000,000 and its subsidiary investment in a subsidy, amounting to another \$1,000,000,000, or \$4,000,000,000 in all.

Mr. DIAL. Mr. President—

Mr. CARAWAY. I yield to the Senator from South Carolina.

Mr. DIAL. I did not hear the beginning of the Senator's speech. In the bill which he has introduced to whom does he propose the ships shall be turned over?

Mr. CARAWAY. I introduced the bill merely as a tentative measure. Of course it is not going to get favorable consideration now, because there is no possibility of anyone getting something for nothing out of it; therefore it will not appeal to the present majority.

Mr. DIAL. I am very much afraid that we are going to give the ships away, in any event.

Mr. CARAWAY. Yes; we are going to give them away; but I have introduced a bill the provisions of which are to give the ships to States and municipalities which want to operate them from ports where there is necessity for them to be operated.

The proposal of the bill just introduced by me, as I said, is to permit municipalities, States, or political subdivisions of States to have ships assigned to them, to operate them for five years, and if they operate them successfully, and will agree to operate them continuously for a period of three years longer, the Government shall give them the ships.

My friend the Senator from Louisiana [Mr. RANSDELL] has made four speeches in favor of the ship subsidy bill; he wants Louisiana taken care of and New Orleans made a great commercial port. Well, if New Orleans has the cargoes and New Orleans believes it can operate the ships, let the Senator from

Louisiana support this proposition and the Government will turn over to New Orleans or to the State of Louisiana enough ships to care for the commerce of the port of that great city, New Orleans.

If Montgomery, Ala., or any other port believes that it has the commerce, or the possibilities of commerce, and is willing to back the faith that it can become a great port, let it prepare to operate the ships, maintain the routes that will be beneficial to the American public, and we shall see that it gets the ships.

What I protest against, Mr. President, is the proposition to give the ships away—for that is what selling them for such an insignificant sum would amount to—and to give with them a privilege to tax the American public for 10 or 15 years to the extent of \$75,000,000 or \$100,000,000 a year. Then, if the experiment proves profitable, private interests will have the ships and the good will that goes with them and the American public will have lost \$4,000,000,000 and have received nothing. On the other hand, if at the end of 10 years the experiment has proven a failure, the private interests can quit; they will have invested nothing; they will have paid nothing for the ships; but the American public will have been taxed to run the ships. So the private interests may walk out of the bargain and say, "It was an unprofitable experiment; the public has paid the bill, and we have had the experience; that is all."

Now, we want to say to those who are advocating ship subsidy that if the Senator from Washington, for instance, believes that the great port in his State would furnish cargoes for ships let his State or the municipality in his State take the vessels and operate them at their expense, and, if they prove to be profitable, we will let them continue to operate them and the ships will cost them nothing.

I know and everybody knows that there is going to be an attempt by the Shipping Board to punish certain sections of this country when this bill is dead by withdrawing from them the ships they have heretofore allocated to them, in order to make it appear that if we had passed this bill their ports would have been taken care of, but their representatives not having voted for it, their communities are thus punished.

If there is any real belief upon the part of the majority in the Senate, Mr. President, that an American merchant marine can be put upon the seas and maintained, let those ports that have the commerce and those States that have that faith take the ships and operate them and build up a real commerce. Let us not, after taxing the people \$3,000,000,000 to build these ships, give them away to private interests, as this deceiving bill purported to do, and with them give what America never gave to a private interest before, namely, the right of taxing people for 10 or 15 years—to go into the pockets of every man, woman, and child in America and take therefrom money to be turned over to a group of private individuals in order to enable them that they may speculate whether they can maintain an American merchant marine. If there is faith in this body that an American merchant marine can be maintained—and I have such faith—let us show that faith, but do not let us do it by robbing the American public for the benefit of speculative interests. I am willing to agree upon some proposition that is fair to all the people, but do not let us tax the people \$3,000,000,000 to build ships, then give them to private interests in two or three ports in this country, and give with it the right, as I said a moment ago, to go into the pocket of the American public for another billion dollars in order that private interests may experiment as to whether they can run the ships; and if the operation proves profitable, theirs is the profit, while, if it results in a loss, the American people shall sustain it. This scheme proposes to plunder the long-suffering, tax-paying American public, first, of \$3,000,000,000 worth of ships it now owns, and then of a billion dollars more to enable a speculative group to ascertain whether they can operate these ships successfully.

I move that the bill be referred to the Committee on Commerce.

The motion was agreed to.

Mr. ASHURST obtained the floor.

Mr. KING. Mr. President, will the Senator yield to me for a few minutes?

Mr. ASHURST. I will yield cheerfully, so long as I do not lose the floor.

Mr. KING. Mr. President, apropos of the statement made by the Senator from Arkansas [Mr. CARAWAY], I should be glad if he would accept as an amendment to his bill the provisions of a measure which I have offered and which is now pending, and which, of course, will receive no consideration at the hands of the majority of the Commerce Committee. The bill which

I have introduced transfers all of the functions, powers, and authority of the Shipping Board to the Department of Commerce. The Shipping Board has lost the confidence of the American people. It has failed to function properly, economically, or efficiently, and many believe that it has been criminally wasteful and extravagant and has frittered away hundreds of millions of dollars. I think it would be a wise policy to abolish both the Shipping Board and the Emergency Fleet Corporation and to confer upon the Department of Commerce the necessary authority to carry out the wishes of Congress. There are objections to this course, but, giving to them due weight, I am of opinion this course would be for the best interests of the people. The Shipping Board will soon, if it pursues its present course, dissipate all of its assets. It lives now by great annual appropriations from Congress. Its assets are diminishing, and within two or three years the property in hand will be of less value than the sums appropriated during the same period to keep it alive. The Department of Commerce could handle the work of the Shipping Board far more economically and could break away from the unwise and destructive policies which now control the board. Certainly it could do no worse, and it would be far more reassuring to the people if the Department of Commerce were empowered to take the place of the Shipping Board.

Mr. FRELINGHUYSEN. Mr. President, will the Senator yield?

Mr. KING. I have not the floor.

Mr. ASHURST. I yield to the Senator from New Jersey.

Mr. FRELINGHUYSEN. I should like to ask the Senator from Utah a question.

Mr. KING. If I may trespass further on the time of the Senator from Arizona, I shall answer briefly, if I can.

Mr. ASHURST. I will yield for that purpose.

Mr. FRELINGHUYSEN. Mr. President, I should like to ask the Senator from Utah if it is not true that when the Shipping Board was taken over by Mr. Lasker it was losing approximately \$360,000,000 a year, and that to-day the losses have been reduced to less than \$50,000,000. Is not that true?

Mr. KING. Mr. President, answering the question categorically, I say no. I can not trespass further to explain my answer and present the facts.

Mr. ASHURST. I yield.

Mr. FRELINGHUYSEN. Those are the figures, simply because the appropriations asked for under the old board to operate it were \$360,000,000 a year. To-day it is being run at \$50,000,000 a year, and is much more efficient, categorically or not.

Mr. KING. Mr. President, I do not agree with the statement or the conclusions of the able Senator from New Jersey. In the first place, if I may be pardoned—

Mr. ASHURST. I yield.

Mr. KING. A considerable part of the amount which the Senator first named as having been appropriated for the Shipping Board under the régime anterior to the advent of Mr. Lasker was utilized in the construction and completion of ships, not their operation. Most of the work of construction had been completed when Mr. Lasker took charge, so that of necessity there was a reduction in the expenditures of the Shipping Board. Moreover, hundreds of ships were being withdrawn from service just before this period, which resulted in reducing the expenses of the board. Mr. Lasker, as we were informed, was to work great reforms; he was to abolish the MO-4 contract and introduce efficient methods. He has perpetuated the MO-4 contract, and has tied up many more vessels. The withdrawal of ships from service and the termination of construction has, of course, reduced the expenses of the board. At one time 1,400 ships were being operated by the Shipping Board; now but about 600 or 700.

Mr. FRELINGHUYSEN. Mr. President—

Mr. ASHURST. I yield to the Senator from New Jersey.

Mr. FRELINGHUYSEN. I simply wish to state that the abolition of construction by Mr. Lasker was in itself an economy. The program of the previous board was grossly wasteful, and for that Mr. Lasker is to be commended and congratulated. Whatever the Senator from Utah may say, the spirit of economy has prevailed in the Shipping Board ever since Mr. Lasker took charge of it, and it has been efficiently managed, and it can not be shown otherwise.

THE CALENDAR.

The VICE PRESIDENT. If there is no further morning business, the morning business is closed. The calendar under Rule VIII is in order, under the unanimous-consent agreement, beginning at Order of Business 996.

The first business on the calendar under the unanimous-consent agreement was the bill (S. 3773) to reduce night work in the postal service.

Mr. DIAL. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 4315) to amend section 2 of the legislative, executive, and judicial appropriation act, approved July 31, 1894, was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3544) to enlarge the powers and duties of the Department of Justice in relation to the repression of prostitution for the protection of the armed forces, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1517) for the relief of Antti Merihelmi, was announced as next in order.

Mr. SHORTRIDGE. Mr. President, was Senate bill 3544 disposed of?

The VICE PRESIDENT. It went over.

Mr. SHORTRIDGE. I would ask, if there was objection, that it be withdrawn. This matter was up some 10 days or 2 weeks ago, and, upon the suggestion of the Senator from Montana [Mr. WALSH], there was a slight amendment, and as of that time the bill was briefly explained. I hope the Senator will withdraw the objection.

Mr. ROBINSON. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state his point of order.

Mr. ROBINSON. An objection was interposed to the consideration of the bill at the time it was reached on the calendar, was it not?

The VICE PRESIDENT. It was.

Mr. SHORTRIDGE. I did not hear it, and I am asking that it be reconsidered. There was so much confusion that I did not hear it.

The VICE PRESIDENT. Is there objection to reconsideration?

Mr. WALSH of Montana. Mr. President, I hope no objection will be urged to the bill. It seems to me that with the amendment made the other day it ought to have the very general approval of the body.

Mr. KING. What bill is it?

The VICE PRESIDENT. Senate bill 3544.

Mr. KING. I objected to it.

The VICE PRESIDENT. There is objection, and the bill will be passed over.

ANTTI MERIHELM.

The bill (S. 1517) for the relief of Antti Merihelmi was announced as next in order.

Mr. MCKELLAR. Will the Senator in charge of the bill explain what it provides?

Mr. CALDER. Mr. President, this bill as introduced was to pay Antti Merihelmi \$5,000 for damages incurred to his person as a result of being struck by a motor truck. The committee reduced the amount from \$5,000 to \$500. There is some question as to his responsibility for the accident, but it appears that the truck was not under the control of the driver at the time, and it seems to me the man is entitled to some damages.

Mr. MCKELLAR. Why should not the bill be drawn so as to refer it to the Court of Claims and let him there establish his claim, if he has a just claim? There is a question raised about the liability.

Mr. CALDER. It has been the practice of Congress to pay damages in cases of this kind without a reference to the Court of Claims, where it can be proven that the injury was the fault of the Government.

Mr. MCKELLAR. I do not object.

Mr. DIAL. I do not object to the consideration of the bill, but I think it ought to be defeated. I note that the man made a claim for \$5,000, which shows that he had no regard for justice and equity and that he was inclined to mulct the Government. I have no respect for a man who tries to magnify an injury in this manner. It is true the committee has offered an amendment to cut it down to \$500, but it should not have recommended that he be given anything. It is a hard matter for us to decide these cases on ex parte statements. On page 2 the report states:

That the foregoing accident was due to the fact that while Antti Merihelmi was crossing Mail Street, not paying attention to traffic, truck No. 45533 came from behind him, turning from Broadway into Mail Street, and struck him, injuring him as described.

The man did not receive a permanent injury. There were no bones broken. It just bruised him a little. I read further from the committee report:

That the board is of the opinion that the Army truck was not traveling at an excessive rate of speed, inasmuch as the traffic was heavy, and that it would be impossible to turn a large truck into a narrow street at a high rate of speed.

That the driver of the Government truck did not have his truck under the proper control necessitated by the crowded condition of the traffic, and to this extent contributed to this accident and to this extent is responsible.

That Antti Merihelmi crossed the street without paying proper heed to the traffic—

Mr. KING. Will the Senator permit an interruption?

Mr. DIAL. Yes.

Mr. KING. I shall object to the consideration of the bill.

Mr. DIAL. I am not objecting to the consideration of the bill.

Mr. KING. I object.

Mr. DIAL. I do not want it to pass, however.

The VICE PRESIDENT. Objection is made, and the bill will be passed over.

BILLS PASSED OVER.

The bill (H. R. 6134) for relief of estate of Anne C. Shymer, was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 7864) providing for sundry matters affecting the Naval Establishment, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

ORGANIZATION OF THE CUSTOMS SERVICE.

The bill (S. 4245) to provide the necessary organization of the customs service for an adequate administration and enforcement of the tariff act of 1922, and all other customs revenue laws, was considered as in Committee of the Whole.

Mr. CALDER. The Senator from Utah [Mr. KING] objected to the consideration of this bill yesterday, but he has informed me that if an amendment were adopted striking out certain language on the first page, he would not object, and I offer an amendment to strike out lines 3 to 7, inclusive, on the first page.

The VICE PRESIDENT. The Secretary will state the amendment.

The READING CLERK. On page 1, strike out lines 3 to 7, inclusive, as follows:

That on and after the passage of this act the President is authorized and directed to fix the compensation of collectors of customs, comptrollers of customs, surveyors of customs, and appraisers of merchandise, to be effective on and after the first of the fiscal year next ensuing.

The amendment was agreed to.

The bill had been reported from the Committee on Finance with amendments, on page 2, line 8, to strike out the word "employees" and insert in lieu thereof the word "officers"; on line 18, after the word "appoint" to strike out the words "and fix the compensation of"; on line 19, to insert the words "in number" after the word "service"; on line 20, after the word "law," to insert the words "and fix their compensation" and a comma; on page 4, line 8, to strike out the words "from within the District" and to insert the words "or transfer"; on line 17, to strike out the words "traveling expenses and actual expenses incurred for sub-"; on page 5, line 2, after the word "employees" and the comma, to insert the words "including the Director and Assistant Directors of Customs"; on line 6, to strike out "section 1" and to insert "section 1 to 6 inclusive, as amended"; and on line 7 to strike out the words "limiting the compensation of laborers in the Customs Service," and to insert the words "an act fixing the compensation of certain officials of the customs service, and for other purposes," so as to make the bill read:

Be it enacted, etc., That on and after the passage of this act the Secretary of the Treasury is authorized and directed to appoint, pursuant to the civil service laws and regulations, fix the compensation, and prescribe the duties, when not otherwise defined by law, of one director of customs (in lieu of Chief, Division of Customs), two assistant directors of customs (in lieu of two assistant chiefs, Division of Customs), one director, special agency service of the customs, and one assistant director, all with headquarters in the District of Columbia. The director of the special agency service and assistant director shall be officers of the special agency service familiar with the statutory and prescribed duties of that service.

SEC. 2. That the Secretary of the Treasury is hereby further authorized and directed to appoint deputy collectors, deputy comptrollers, deputy surveyors, deputy and assistant appraisers, examiners of merchandise, inspectors and such other customs officers, laborers, and other employees as he shall deem necessary, prescribe their designations and duties when not otherwise defined by law, and fix their compensation. He is authorized to appoint special agents of the customs service in number as now provided by law and fix their compensation, and to appoint and fix the compensation of such number of customs agents as he may deem necessary, all of whom shall perform their duties as

defined by existing law or prescribed by the Secretary of the Treasury, under the immediate supervision of the director, special agency service of the customs. He shall likewise appoint and fix the compensation of the clerks and other employees of the Board of United States General Appraisers. The appointment of such customs officers and employees shall be made pursuant to the civil service laws and regulations upon the nomination of the principal officer in charge of the office to which such appointments are to be made.

SEC. 3. That the collectors of customs, comptrollers of customs, surveyors of customs, and appraisers of merchandise shall each, with the approval of the Secretary of the Treasury, appoint a customs officer familiar with the customs laws and procedure, to act and be known as the assistant collector, the assistant comptroller, the assistant surveyor, and the chief assistant appraiser (in lieu of the special deputies), and the Secretary of the Treasury shall fix their compensation. The collector of customs at the port of New York shall also, with the approval of the Secretary of the Treasury, appoint a customs officer qualified in the law and familiar with customs procedure, to act and be known as solicitor to the collector, whose compensation shall likewise be fixed by the Secretary of the Treasury.

SEC. 4. That in case of a vacancy in the office of a collector of customs, comptroller of customs, surveyor of customs, or appraiser of merchandise, such assistant collector, assistant comptroller, assistant surveyor, or chief assistant appraiser shall give bond when required, act as such officer, and receive the compensation of such office until an appointment thereto has been made and the person so appointed has duly qualified. Whenever a vacancy occurs in the position of such assistants, chief assistant, and solicitor to the collector, herein provided for, it shall be filled, with the approval of the Secretary of the Treasury, by the promotion or transfer of a trained and qualified customs officer, and the assistant, chief assistant, and solicitor to the collector so appointed shall continue in office and shall not be reduced or removed except for cause and in accordance with the civil service laws and regulations.

SEC. 5. That all customs officers and employees, including customs officers and employees in foreign countries, in addition to their compensation shall receive their necessary traveling expenses and actual expenses incurred for subsistence while traveling on duty and away from their designated station, and when transferred from one official station to another for duty may be allowed, within the discretion and under written orders of the Secretary of the Treasury, the expenses incurred for packing, crating, freight, and drayage in the transfer of their household effects and other personal property, not exceeding in all 5,000 pounds.

SEC. 6. That the compensation of all customs officers and employees, including the director and assistant directors of customs, herein provided for, and the expenses authorized by section 6 of this act, shall be paid from the appropriation for the collection of the revenue from customs.

SEC. 7. That sections 1 to 6, inclusive, as amended, of the act of March 4, 1909, an act fixing the compensation of certain officials of the customs service, and for other purposes, and all laws and parts of laws inconsistent with the provisions of this act, are hereby repealed.

The amendments were agreed to.

Mr. KING. May I make an inquiry of the Senator? The bill does not authorize the transfer of employees from the ineligible list to the eligible list?

Mr. CALDER. It does not.

Mr. KING. It does not waive any of the requirements of the civil service?

Mr. CALDER. It does not.

Mr. SMOOT. None whatever.

Mr. KING. As I understand, it does not exceed the appropriations made for this particular agency of the Government?

Mr. CALDER. That is correct.

Mr. KING. It gives more power to readjust salaries with respect to the responsibilities resting upon the several employees?

Mr. CALDER. The Senator is correct.

Mr. KING. I have no objection to the passage of the bill.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONTAINERS FOR FRUITS AND VEGETABLES.

The bill (S. 4399) to fix standards for hampers, round stave baskets, and splint baskets for fruits and vegetables, and for other purposes, was announced as next in order.

Mr. McKELLAR. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

Mr. McNARY. I can not conceive that any Senator would object to the consideration of this bill. Has objection been made?

Mr. McKELLAR. It is an important bill. I would like to have the Senator explain what is sought to be accomplished by it. I think it ought to be considered carefully before it is passed.

Mr. McNARY. The bill passed the House almost unanimously.

Mr. HARRISON. Will the Senator yield?

Mr. McNARY. I yield to the Senator.

Mr. HARRISON. If the Senator from Tennessee should not object, I would object to the consideration of the bill; it is so far-reaching, and it would just delay the taking up of other important bills.

Mr. McNARY. May I ask the Senator from Mississippi if he has read the bill and the report?

Mr. HARRISON. I have studied the bill.

Mr. McNARY. It met with little opposition in the House, and it is very much needed by those who consume and those who produce. I should like to have it considered at this session of Congress, because it means much to the people of the country.

Mr. HARRISON. I will say that there is an amendment I wish to offer, and if the Senator would accept it I would have no objection to the bill. It seeks to eliminate what is known as the seven-eighths bushel hamper, which has been in use 50 years by the producers in my State and in many other States of the South. It is the custom of the trade to use it, and some people are trying to put this measure through who do not know anything about that situation.

Mr. McNARY. I will state to the Senator from Mississippi that is the particular container we want to abolish. That container is an outlaw device in seven of the States of the Union and comes in competition with the container holding a full bushel.

Mr. HARRISON. I do not care to discuss the proposition on the floor. I have very strong convictions about it, and I can present a very long argument. I doubt whether it would convince the Senator from Oregon, but this bill is fraught with such evil to a large number of producers in my State that I feel compelled to object to the bill and will fight it.

Mr. McNARY. Let me ask the Senator from Mississippi if he will not be satisfied to permit it to go to a vote and then take such action as he desires?

Mr. HARRISON. I would be thoroughly satisfied if the Senator would accept an amendment that would prevent the elimination of the seven-eighths bushel hamper.

Mr. McKELLAR. I would like to have this go over to-day, anyway, until I can make some investigation about it. I hope the Senator will let it go over. I will undertake in the meantime to communicate with people I know are interested in this matter.

The VICE PRESIDENT. There is objection.

Mr. McNARY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. McNARY. Is it in order to move to take the bill up?

The VICE PRESIDENT. The Chair does not understand that it is in order, as the unanimous-consent agreement is that the Senate shall consider only unobjected bills.

FARM CREDITS.

The bill (S. 4132) to amend an act entitled "An act to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and to supervise the issuance of securities, and for other purposes," approved April 5, 1918, and for other purposes, was announced as next in order.

Mr. NORBECK. Mr. President, this is a bill that was reported unanimously by the Committee on Agriculture and Forestry some time ago. I offered it as an amendment to the Lenroot bill when that was pending. It provides credit for foreign exports. The measure was fully explained and is well understood. It is the one measure before us that would probably grant substantial relief to the agricultural interests by helping them dispose of their surplus.

Mr. SMOOT. It would be absolutely impossible to pass the bill under the five-minute rule. If there were time, I would be glad to have it taken up, but it can not be disposed of under the five-minute rule, and I therefore ask that it may go over.

The VICE PRESIDENT. The bill will be passed over.

COL. JOSEPH S. HARDIN AND CAPT. P. A. SCHOLL.

The bill (S. 4425) to authorize appropriations for the relief of certain officers of the Army of the United States was announced as next in order.

Mr. McKELLAR. Will not the Senator from South Carolina explain the bill?

Mr. DIAL. It is a bill to relieve Joseph S. Hardin, who was a lieutenant colonel in the Army, in a case where funds under his control were stolen by an employee furnished him by the Government over whom he had no control. The young man who stole the money was under bond, and the bond was collected, and the bill is to reimburse the officer for the amount of the balance he had to pay. The man who stole the money was sent to the penitentiary. The War Department recommends the passage of the bill. There was no negligence whatever on the part of the officer, and the committee unanimously reported that the bill be passed. The Senator from Indiana [Mr. New] had the bill called up the other day, and there was no objection; so I trust it will pass. It is just like scores of others we have

passed for the relief of civil officials, postmasters, and others, under similar conditions.

Mr. SMOOT. I am not going to object to the consideration of the bill, because so many similar bills have passed the Senate already, but I want to say once more that the Government of the United States will have to do something to protect itself against thousands of cases similar to this that are arising. It seems to me that in effect we are notifying all officers of the Army, all postmasters, any employee of the Government who handles money, that they need not take care of the money at all, and that if anybody steals it from them the Government of the United States will relieve them of any responsibility. There have been a hundred cases in the last five years where there used to be one. This practice is growing so fast I do not know where it will end, and I think the only way to stop it is to compel every employee of the Government who handles Government funds to be bonded to the Government for the amount in his hands.

Mr. DIAL. I entirely agree with the Senator from Utah. I think we should take such steps as the Senator suggests, but we have passed many similar bills in the last few days and I hope there will be no objection to the passage of this bill.

The bill was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to allow and credit in the accounts of Lieut. Col. Joseph S. Hardin, Finance Department, the sum of \$6,779.96, and in the accounts of Capt. P. A. Scholl, Finance Department, the sum of \$202.02, which amounts represent public funds which were stolen by a former employee.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

MONUMENT IN MEMORY OF COLORED MAMMIES OF THE SOUTH.

The bill (S. 4119) authorizing the erection in the city of Washington of a monument in memory of the faithful colored mamnies of the South, was announced as next in order.

Mr. SMOOT. Mr. President, some Senator who is not now present asked me to object to the consideration of this bill, but I have forgotten which Senator requested it.

Mr. HARRISON. Was it not some Senator who asked the Senator from Utah to look after it for him?

Mr. SMOOT. No; I will say to the Senator that was not the case.

Mr. HARRISON. I hope there will be no objection to the consideration of the bill. My colleague [Mr. WILLIAMS] has a very acute interest in this particular measure. It is the last of a great number of important bills which he has had on the calendar. This is the only one remaining. I hope before he goes out of the Senate this bill may be enacted into law.

The Senate as in Committee of the Whole proceeded to consider the bill, which had been reported from the Committee on the Library with amendments on page 2, line 2, after the word "joint" to strike out the word "library," and in line 3 strike out "of Congress, with" and insert in lieu thereof "on the Library, after procuring," so as to make the bill read:

Be it enacted, etc., That the Chief of Engineers, United States Army, be, and he is hereby, authorized and directed to select a suitable site and to grant permission to the Jefferson Davis Chapter No. 1650, United Daughters of the Confederacy, for the erection as a gift to the people of the United States on public grounds of the United States in the city of Washington, D. C., other than those of the Capitol, the Library of Congress, Potomac Park, and the White House, a monument in memory of the faithful colored mamnies of the South: *Provided*, That the site chosen and the design of the memorial shall be approved by the Joint Committee on the Library, after procuring the advice of the Commission of Fine Arts; that the monument shall be erected under the supervision of the Chief of Engineers; and that the United States shall be put to no expense in or by the erection of the said monument.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INCREASE OF PENSIONS.

The bill (S. 4305) granting an increase of pension to certain soldiers of the Mexican War and Civil War and their widows and minor children, widows of the War of 1812, Army nurses, and for other purposes, was announced as next in order.

Mr. DIAL. Let the bill go over.

Mr. BURSUM. Mr. President, I hope the Senator from South Carolina will withdraw his objection. This is a general pension bill, much modified, involving much less cost to the Government than the former pension bill, which was passed without a dissenting vote in the Senate and which passed the lower House. That bill was vetoed by the President. The present bill has been gone over by the Secretary of the Interior and analyzed, and is satisfactory.

The bill only grants an increase of pension to the very aged widows and very aged veterans. Only those veterans 78 years of age or more can benefit by the bill. Only those widows 68 years of age or more can benefit by the provisions of the bill. It should be apparent to everyone that these aged widows and veterans are in great need. We ought to take care of them. The bill would give them a slight increase of pension.

Mr. KING. I call for the regular order.

Mr. BURSUM. Is it in order at this time to move to proceed to the consideration of the bill?

The VICE PRESIDENT. It is not in order under the unanimous-consent agreement.

Mr. BURSUM. I ask unanimous consent that the bill may be taken up for consideration to-morrow morning at 11 o'clock.

The VICE PRESIDENT. Is there objection?

Mr. DIAL. I object.

The VICE PRESIDENT. The bill will go over.

ELEPHANT BUTTE IRRIGATION DISTRICT.

The bill (S. 4232) authorizing the Secretary of the Interior to enter into a contract with the Elephant Butte irrigation district of New Mexico and the El Paso County improvement district No. 1 of Texas for the carrying out of the provisions of the convention between the United States and Mexico, proclaimed January 16, 1907, and providing compensation therefor, was announced as next in order.

Mr. OVERMAN. Mr. President, from a reading of the bill it appears that there is apparently a million dollars involved. I would like to hear the report of the committee read. The committee reported on the bill, and let us have the report read.

Mr. BURSUM. I will say to the Senator from North Carolina that the committee made a favorable report and the Secretary of the Interior made a favorable report.

Mr. OVERMAN. Let us have the report read so that we may see just what it is.

The VICE PRESIDENT. The report will be read.

The reading clerk proceeded to read report No. 1080, submitted by Mr. McNary February 1, 1923, from the Committee on Irrigation and Reclamation.

Mr. SMOOT. Mr. President, I have not had much time to examine the measure, but in hastily going through the report I can not see but what this is simply taking a million dollars out of the reclamation fund and crediting the project with that amount. If that is the case, it seems to me we ought, in justice, to go into every reclamation project in the United States which has cost more than the amount estimated by the Reclamation Service and credit each project with the amount over and above the estimated cost. If that were done we would not have money enough in the reclamation fund in the next 20 years to pay those credits.

Mr. BURSUM. Mr. President, may I interrupt the Senator?

Mr. SMOOT. Certainly.

Mr. BURSUM. That is not quite a correct analysis of the bill.

Mr. SMOOT. That is what I want to find out.

Mr. BURSUM. Here is the proposition: The Government of the United States entered into a treaty with Mexico to deliver at the head gates of the ditch entering into Mexico 60,000 acre-feet of water annually. In order to deliver that water, the actual annual cost involved was found to be \$35,000. That cost has already been paid by the water users for six years, but now they have agreed to deliver it perpetually without cost to the Government.

Mr. SMOOT. But the treaty was made before the reclamation project was begun, was it not?

Mr. BURSUM. Yes; but there is an obligation to deliver the water, and the operating expense of delivering the water is \$35,000 a year.

Mr. SMOOT. It does not make any difference what it costs to deliver the water; the treaty was in force before the reclamation project was undertaken. When the project was undertaken the agreement was that they should deliver annually 60,000 feet of water to Mexico.

Mr. BURSUM. That was the agreement of the Government, but it was not the agreement of the farmers to do it at their own expense.

Mr. SMOOT. The farmers understood very well that the agreement was to be carried out.

Mr. BURSUM. Not at all. The reservoir was built at the expense of the farmers and not at the expense of the Government.

Mr. SMOOT. Does the Senator mean to say that the farmers of New Mexico consented to build the project and never knew

there were 60,000 acre-feet of water to be delivered annually to Mexico?

Mr. BURSUM. Oh, yes; they knew that.

Mr. SMOOT. Then they are estopped.

Mr. BURSUM. But the Government itself recognized its obligation to pay its proportion of the cost of delivering the water.

Mr. OVERMAN. May I inquire if this money would come out of the Treasury of the United States?

Mr. BURSUM. It would not. Here is the situation—

Mr. SMOOT. I can say to the Senator that it would not be paid back into the Treasury of the United States.

Mr. BURSUM. There was some money paid out by the Reclamation Service—

Mr. SMOOT. Mr. President, I shall have to object to the present consideration of the bill.

The VICE PRESIDENT. The bill goes over under objection.

Mr. JONES of New Mexico. Mr. President, I hope Senators may read the report on the measure just under discussion coming from the Secretary of the Interior. It contains, I think, a very clear and concise statement of the situation, and I believe if it is understood there will be no objection to the passage of the bill. We will undoubtedly have an opportunity to-morrow to take it up again on the call of the calendar. I trust that Senators will read the report in the meantime.

Mr. LODGE. Mr. President, I ask for the regular order.

The VICE PRESIDENT. The Secretary will report the next bill on the calendar.

BILLS PASSED OVER.

The bill (S. 2098) for the relief of Jacob Mull was announced as next in order.

Mr. KING. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 4396) for the relief of Eldredge & Mason, of Malone, N. Y., was announced as next in order.

Mr. McKELLAR. Will some one explain what the bill proposes?

Mr. WILLIS. The Senator from New York [Mr. WADSWORTH] is temporarily absent. I suggest that the bill be passed over without prejudice until he returns to the Chamber.

The VICE PRESIDENT. Without objection, it is so ordered.

WIDENING OF FIRST STREET NE.

The bill (H. R. 5018) to authorize the widening of First Street NE., and for other purposes, was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That under and in accordance with the provisions of subchapter 1 of chapter 15 of the Code of Law for the District of Columbia, within six months after the passage of this act, the Commissioners of the District of Columbia be, and they are hereby, authorized and directed to institute in the Supreme Court of the District of Columbia a proceeding in rem to condemn the land that may be necessary for the widening of First Street NE., along the eastern boundaries of squares numbered 675, 676, and 677, to a width of 60 feet, as shown on plan on file in the office of the Engineer Commissioner of the District of Columbia: *Provided, however,* That of the amount found to be due and awarded by the jury in said proceeding as damages for and in respect of the land to be condemned for said widening, plus the costs and expenses of the proceeding hereunder, not less than two-thirds thereof shall be assessed by the jury as benefits.

Sec. 2. That there is hereby authorized to be appropriated, out of the revenues of the District of Columbia, an amount sufficient to pay the necessary costs and expenses of the condemnation proceeding taken pursuant hereto and for the payment of amounts awarded as damages. The amounts assessed as benefits when collected shall be repaid to the District of Columbia and covered into the Treasury to the credit of the revenues of the District of Columbia.

Sec. 3. That the act approved June 11, 1910, entitled "An act authorizing the widening of First Street NE., in the District of Columbia," be, and the same is hereby, repealed, and the Commissioners of the District of Columbia are hereby authorized and directed to discontinue and abandon the proceeding heretofore instituted by them under said act for the widening of said First Street, now pending in the Supreme Court of the District of Columbia, and known as District court cause numbered 922.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER.

The bill (H. R. 12368) to abolish the inspection districts of Apalachicola, Fla., and Burlington, Vt., and the office of one supervising inspector, Steamboat Inspection Service, was announced as next in order.

Mr. REED of Pennsylvania. I ask that the bill may go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 4318) authorizing the Secretary of the Treasury to make collections and refunds of taxes out of the proceeds of sales of property held in the Treasury was announced as next in order.

Mr. KING. Reserving the right to object, let the bill be read. The reading clerk read the bill.

Mr. WILLIS. I observe that the Senator from North Dakota [Mr. McCUMBER] is not in the Chamber at this time. This is a very important bill, and I suggest that it be passed over temporarily without prejudice.

The VICE PRESIDENT. Without objection, it is so ordered. The bill (S. 1194) for the relief of Northrup Banks was announced as next in order.

Mr. KING. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 4282) for the purchase of the statue "The Pilgrim Mother and Child of the Mayflower" and presentation of same to the Government of Great Britain was announced as next in order.

Mr. REED of Pennsylvania and Mr. MOSES asked that the bill go over.

The VICE PRESIDENT. The bill will go over.

ROBERT F. HAMILTON.

The bill (S. 3023) for the relief of Robert F. Hamilton was announced as next in order.

Mr. KING. Let the bill go over.

Mr. HARRELD. Mr. President, I hope the Senator will not object to the consideration of that bill.

Mr. KING. I will withhold my objection pending an explanation.

Mr. HARRELD. This bill provides for relief in another one of those cases where a soldier in the Union Army during the Civil War was taken as a prisoner of war and confined in prison. He was afterwards paroled and returned to his home. He was young and did not know that it was necessary for him to secure a formal discharge from the Army. I personally am acquainted with this man and know that this is a very meritorious case.

Mr. KING. I should like to hear the report in this case read. It is not very long.

The VICE PRESIDENT. The report will be read.

The reading clerk read the report (No. 1131) submitted by Mr. SHEPPARD on the 10th instant, as follows:

The Committee on Military Affairs, to which was referred the bill (S. 3023) for the relief of Robert F. Hamilton, having considered the same, report favorably thereon with the recommendation that the bill do pass without amendment.

The report on this bill from the War Department is appended hereto and made a part of this report, as follows:

WAR DEPARTMENT,
THE ADJUTANT GENERAL'S OFFICE,
April 12, 1923.

It is shown by the records that Robert F. Hamilton, 18 years of age, was enrolled October 15, 1863, with the consent of his guardian—J. H. Hafford—at Shelbyville, Tenn., and mustered into the service as of the same date, as a private in Company M, Tenth Regiment Ohio Cavalry, to serve three years. He appears to have served faithfully until March 14, 1864, when he deserted at La Vergne, Tenn., never thereafter returning to his command, which remained in the service until July 24, 1865, when it was mustered out at Lexington, N. C.

The medical records show that he was treated in field hospital at Chattanooga, Tenn., from December 24 to 25, 1863, for indigestion and debility, and in Cumberland General Hospital, Nashville, Tenn., from December 29, 1863, to January 15, 1864, for intermittent fever. No record has been found of the alleged capture of this man.

Applying for removal of the charge of desertion and for an honorable discharge, R. F. Hamilton, under date of February 15, 1890, testified as follows:

"About February 15, 1864, claimant and a comrade named Roberson went out of camp to have washing done; nearest place could get it done was 3 miles from camp; on returning to camp were captured by bushwhackers, Capt. Sam Moore. Roberson escaped fifth night after; claimant was kept as kind of waiting boy by Captain Moore, under close watch; was taken sick middle of July, 1864, in swamps of Alabama and when no longer able to serve the captain was given a parole and told to do the best he could; made his way to house of Union man named Neal, where stayed until could travel and then went back to Tennessee until war closed."

He again testified under date of January 30, 1892, that he served faithfully until on or about the 15th day of February, 1864, when without any intention of desertion he left the regiment under the following circumstances:

"Was captured while out of camp by Confederates. Was held as a prisoner until July, 1864; was paroled, but being unable for service, caused by exposure, I did not return to command. Remained a paroled soldier until the close of the war, never having been exchanged. The officer who paroled me, Capt. Sam Moore, Confederate, told me that I had no right to go back into service unless I was exchanged, and if I did and was captured again I would be shot, and for me to go home and stay there. I was sick at the time, and being only 15 years of age and inexperienced, I did not know what to do in the premises. I never returned to my command. At the close of the war I sent my parole to the department, but was informed that I was reported as a deserter. I never did draw a cent of pay or bounty, and never received any discharge, and never deserted—only as herein set forth."

Applying to the President in 1904 for the desired relief, Hamilton made substantially the same allegations as he made in 1890 and 1892, adding that at the time of his enlistment he was an orphan and had no guardian.

Application for removal of the charge of desertion and for an honorable discharge in the case of this soldier has been denied, and now stands denied, on the ground that the soldier did not serve until May 1, 1865, and that it has not been established that he was prevented from

completing his term of enlistment by reason of disability incurred in the line of duty, and because the case does not come within the provisions of the act of Congress approved March 2, 1889, which is the only law in force governing the subject of removal of charges of desertion.

Respectfully submitted.

ROBERT C. DAVIS,
Acting The Adjutant General.

The SECRETARY OF WAR.

Your committee has carefully considered the merits of this case and has come to the conclusion that Hamilton did not desert his command. Mr. Hamilton enlisted at the age of 15; he is now 74. The circumstances as he describes them are corroborated by affidavits on file in connection with this case. They support his story that he was captured by Confederates and after imprisonment for several months was paroled. He observed his parole until the close of the war, serving, however, in a home guard company to check marauders in his community.

Mr. OVERMAN. Is there any evidence to sustain the affidavit of the beneficiary in this case? I think it is evident from the report that there is no corroborating evidence.

Mr. KING. It is merely the statement of the beneficiary.

Mr. OVERMAN. Then let the bill go over, Mr. President.

The VICE PRESIDENT. The bill will go over.

ELDRIDGE & MASON, OF MALONE, N. Y.

Mr. WADSWORTH. Mr. President, I understand that in my absence from the Chamber just a little while ago Order of Business 1065, being Senate bill 4396, was postponed until my return. I ask that that number be now called.

The VICE PRESIDENT. The bill referred to by the Senator from New York will be stated by title.

The READING CLERK. A bill (S. 4396) for the relief of Eldredge & Mason, of Malone, N. Y.

Mr. WADSWORTH. Mr. President, I understand that an explanation of that bill was desired.

Mr. McKELLAR. Will the Senator from New York explain the bill?

Mr. WADSWORTH. The complete explanation of the bill is found in the report of the committee thereon. This is a case involving the seizure of an automobile which was being operated in northern New York by a bootlegger. A man named Disotelle purchased an automobile from this concern, Eldredge & Mason, paying part cash and giving a note for \$500 for the balance of the price of the car, which was secured by a chattel mortgage given to Eldredge & Mason. Disotelle was caught later on transporting liquor. He was tried and convicted, as I recollect, and the court ordered the automobile sold and sufficient of the proceeds from the sale paid to Eldredge & Mason to satisfy their lien. The automobile was sold and the officer who sold it turned the money in to the clerk of the court, who, failing to recollect the order of the court, turned the money into the Treasury of the United States. This concern, as I have stated, had a lien on the car, and the court ordered that that lien be satisfied, but the clerk of the court made an error and did not do so.

Mr. OVERMAN. How was that lien to be satisfied? Was it to be satisfied according to the decree of the court by the payment of the money to this concern?

Mr. WADSWORTH. Yes. This lien had been filed against the car.

Mr. OVERMAN. Did the court order the lien to be paid in that way?

Mr. WADSWORTH. It did; that was the decree of the court.

Mr. OVERMAN. Then ought not the clerk be made to pay the money if the court had ordered it to be paid by the clerk and he did not do it?

Mr. WADSWORTH. He did not do his duty, but turned the money into the Treasury of the United States.

Mr. McKELLAR. And, of course, after it got into the possession of the Treasury it was impossible to get it out except by congressional action.

Mr. WADSWORTH. It requires an appropriation by Congress to get it out.

The VICE PRESIDENT. Is there objection to the consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 4396) for the relief of Eldredge & Mason, of Malone, N. Y. It proposes to pay to Eldredge & Mason, of Malone, N. Y., \$473.25, erroneously paid into the Treasury of the United States, which was the proceeds of a marshal's sale of an automobile which was seized by the Federal authorities for violation of the Volstead Act and upon which automobile Eldredge & Mason held a lien.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

MONUMENT AT FORT PIERRE, S. DAK.

The bill (S. 4350) authorizing the Secretary of the Interior to erect a monument at Fort Pierre, S. Dak., to commemorate the explorations and discoveries of the Verendrye brothers and to expend not to exceed \$25,000 therefor, was announced as next in order.

Mr. ROBINSON. Mr. President, there is no printed report accompanying this bill, but it proposes to establish a policy which I think may result in large and numerous appropriations for the erection of monuments in different parts of the country. I think the bill ought to go over.

The VICE PRESIDENT. The bill will go over.

Mr. STERLING. Mr. President, will the Senator permit a brief statement with regard to this measure?

Mr. ROBINSON. Certainly.

Mr. STERLING. Mr. President, I think this bill should pass. It is, I think, a matter of national importance that important places of discovery and claims of territory should be marked. In the year 1743, now just about 180 years ago, the Verendrye brothers, two French explorers, made claim to this territory in behalf of the King of France, and at the point at Fort Pierre where it is proposed to erect this monument they fixed a tablet. That tablet was discovered, I think, in the year 1913. The exact place where the Verendrye brothers stood and claimed this territory for France has thus been located, and it is of great national importance, I think, that places such as this should be appropriately marked. Since the bill does not call for an appropriation of over \$25,000, or, rather, authorize an appropriation for more than that sum, I hope there will be no further objection.

Mr. ROBINSON. Mr. President, there are thousands of historical incidents at least as important as any incident connected with the Verendrye brothers or any act of their lives; and if this Government embarks upon the policy of appropriating \$25,000 to commemorate events of the character mentioned in this bill, it will occasion the expenditure of very large sums of money. I think the policy as a whole ought to be considered rather than entered upon through a specific case of this character. I object to the consideration of the bill.

The VICE PRESIDENT. Being objected to, the bill will go over.

JOINT RESOLUTION PASSED OVER.

The joint resolution (S. J. Res. 91) authorizing the President to require the United States Sugar Equalization Board (Inc.) to adjust a transaction relating to 3,500 tons of sugar imported from the Argentine Republic was announced as next in order.

Mr. WALSH of Montana. I object to that, Mr. President.

The VICE PRESIDENT. There is objection.

Mr. FRELINGHUYSEN. I appeal to the Senator from Montana to allow the bill to be considered. Other bills of a similar character have been considered. This is the case of a man who lost everything. Under the report it is shown that he actually had written stipulations regarding the transaction.

Mr. WALSH of Montana. The Senator knows I am opposed to this legislation—

Mr. FRELINGHUYSEN. I know the Senator is.

Mr. WALSH of Montana. And have fought it heretofore on the floor. It will occupy the entire morning hour to dispose of these matters if they are taken up.

Mr. FRELINGHUYSEN. If it leads to any discussion, I will allow the bill to go over.

Mr. WALSH of Montana. I can assure the Senator that it will lead to discussion.

Mr. FRELINGHUYSEN. Of course, if the Senator wishes to speak on it to that extent, any appeal is useless. The Senator, then, will not withdraw his objection?

Mr. WALSH of Montana. I insist upon the objection.

The VICE PRESIDENT. The joint resolution will be passed over.

The joint resolution (S. J. Res. 172) authorizing the President to require the United States Sugar Equalization Board (Inc.) to take over and dispose of 2,000 tons of sugar imported from the Argentine Republic and adjust the loss sustained thereby was announced as next in order.

Mr. WALSH of Montana. I object to the joint resolution.

The VICE PRESIDENT. The joint resolution will be passed over.

MONUMENT SYMBOLIZING THE NATIONAL GAME OF BASEBALL.

The joint resolution (S. J. Res. 277) granting permission for the erection of a monument to symbolize the national game of baseball was announced as next in order.

Mr. ROBINSON. Mr. President, I suggest that that joint resolution go over.

Mr. PEPPER. Mr. President—

Mr. ROBINSON. I can not consent at this time, under the conditions that surround the business of the Senate, to the consideration of a measure to provide for the erection of a monument to the national game of baseball. I object to the consideration of the joint resolution.

Mr. PEPPER. I ask the Senator to reconsider the position he has taken. This is the case of an offer by the American League of Professional Baseball Clubs to erect, without expense to the Government, and in accordance with designs approved in the usual way by the Fine Arts Commission—

Mr. ROBINSON. If the Senator will pardon me, my objection goes to the fact that we are consuming the time of the Senate of the United States in the consideration of trivial matters when it ought to be engaged in the consideration of important matters. I object, Mr. President, to the consideration of the joint resolution for the present.

Mr. PEPPER. Mr. President, I merely wish to suggest to the Senator that a work of art symbolizing the idea of play and sport in America—

Mr. ROBINSON. Mr. President, if the Senator persists in discussing the joint resolution, we may pass it; so I withhold my objection.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution. It authorizes the Chief of Engineers, United States Army, to select a suitable site and to grant permission to the American League of Professional Baseball Clubs for the erection, as a gift to the people of the United States, on public grounds of the United States in the city of Washington, D. C., other than those of the Capitol, Library of Congress, the Mall, West Potomac Park, and the White House, of a monument to symbolize the national game of baseball and the benefits resulting therefrom to the people of the United States; but the site chosen and the design of the monument shall be approved by the Joint Committee on the Library of the Congress after procuring the advice of the Commission of Fine Arts; and the monument shall be erected under the supervision of the Chief of Engineers, and the United States shall be put to no expense in or by its erection.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PRICE OF WHEAT.

The bill (S. 4478) to promote agriculture by stabilizing the price of wheat was announced as next in order.

Mr. WADSWORTH. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

REORGANIZATION OF THE FOREIGN SERVICE.

The bill (H. R. 13880) for the reorganization and improvement of the foreign service of the United States, and for other purposes, was announced as next in order.

Mr. ROBINSON. Mr. President, this appears to be a bill of importance. Reserving the right to object, I ask the Senator from Massachusetts to make a brief explanation of it.

Mr. LODGE. Mr. President, it is a bill of very great importance. It has been very carefully prepared by the department, by the House committee, and by the Senate committee.

The main purpose of the bill is the consolidation and interchangeability of the services, to put the consuls and all diplomatic officers below the rank of minister together, so that they can be used in either service. It puts them under the law providing civilian pensions for service. They are the only class that have none.

Those are the two principal features of the bill. It would take me some time to go into all the details.

Mr. ROBINSON. Mr. President, is the report of the committee unanimous?

Mr. LODGE. The report is unanimous. There was no objection to it either in the House or in the Senate.

Mr. STERLING. Mr. President, I have some hesitation in consenting to the passage of this bill. It provides an annuity, after the analogy, of course, of the civil service retirement law. The largest annuity paid under the civil service retirement law is \$720 per annum.

Mr. ROBINSON. Mr. President, I object to the present consideration of the bill.

The VICE PRESIDENT. There is objection. The bill will be passed over.

BLATTMANN & CO.

The bill (S. 3701) for the relief of Blattmann & Co. was considered as in Committee of the Whole.

The bill had been reported from the Committee on Foreign Relations with an amendment, on page 1, line 3, after the words

"sum of," to strike out "\$145,526" and insert "\$124,383.86," so as to make the bill read:

Be it enacted, etc., That the sum of \$124,383.86 is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the purpose of compensating Blattmann & Co., of Wädenswil, Switzerland, for losses sustained through the wrongful seizure and sale of 1,057,100 pounds of devitalized gluten by the Alien Property Custodian of the United States which belonged to the said Blattmann & Co.

Mr. McKELLAR. Mr. President, this seems to be a good, large sum. I wish the Senator in charge of it, or the Senator responsible for it, would explain it to the Senate.

Mr. KING. Mr. President, I am not in charge of the measure, but I know something about it. It was under discussion here the other day and went over.

Mr. McKELLAR. I see that the Senator from Connecticut is here.

Mr. BRANDEGEE. Mr. President, I could not hear what the Senator from Utah said.

Mr. KING. The Senator from Tennessee asked for some explanation, and I saw that the Senator from Indiana [Mr. New], who had charge of the bill, was not here, and I was responding and giving such information as I could.

Mr. BRANDEGEE. I wish the Senator would continue his statement.

Mr. KING. I shall be glad to yield to the Senator.

Mr. BRANDEGEE. I did not want the Senator to. I thought he took his seat after asking a question.

Mr. President, this bill was before the Committee on Foreign Relations. It is a claim for the value of property which the Alien Property Custodian had taken over during the war, on the ground that it belonged to an alien enemy. It was proved before a subcommittee of the Committee on Foreign Relations, to which the claim was referred, that the owner of the property was not an alien enemy, and never had been. Blattmann & Co. were Swiss, and the claim was substantiated by proper evidence and affidavits. The former Senator from Georgia, Mr. Smith, appeared before the committee as counsel for the claimant and advocated the claim, and satisfied the committee that it was a just one. This money is to compensate the man for the amount of property that was taken from him, which the Government now admits was not the property of an alien enemy. The Government did pay him a certain amount in cash, for which it holds his receipt; I think it was \$65,000; and this is the difference between that amount and the amount that the property was worth.

Mr. President, I will state further that I was the chairman of the subcommittee that considered the matter. The Senator from Indiana [Mr. New] and the Senator from Nebraska [Mr. HITCHCOCK] were the other two members of the subcommittee. I was instructed to draw the report of the subcommittee. When I went down to the committee room to look at the letter which the Secretary of State had written in relation to the claim in response to the request of the chairman of the committee—the Senator from Massachusetts [Mr. LODGE]—I noticed that the Secretary of State said that he had written two letters to the Alien Property Custodian requesting information and the opinion of that officer upon the merits of the claim, and he had been unable to get a reply from him. The State Department made no objection to the bill, but they did state that fact, whereupon I took the liberty of delaying the report and wrote the Alien Property Custodian, Colonel Miller, myself, asking him to give me such information as he could about the claim. I received no reply from him, and I thereupon conferred with the Senator from Nebraska and the Senator from Indiana and told them that I would like to know why he would not answer the letters in relation to that matter that had taken place in his department. There it stands. I have no more information about it than I had. The claim, as proved before the committee, seemed to be perfectly justifiable and legal.

Mr. McKELLAR. Mr. President—

Mr. BRANDEGEE. I yield.

Mr. McKELLAR. As I understand the Senator, this property belonging to Blattmann & Co. was taken by the Government during the war and turned into the hands of the Alien Property Custodian. A part of it has been turned back to them by the Alien Property Custodian, and this bill is to return the remainder. Is that the situation?

Mr. BRANDEGEE. Part of it was sold by the Alien Property Custodian at a very greatly reduced price, not a fair price in the market at all, and what was received from that sale—I think \$65,000—was paid to Blattmann & Co. Now they ask for the fair value of what was not accounted for to them.

Mr. McKELLAR. And this is to pay the difference between what the property sold for and its fair value?

Mr. BRANDEGEE. Yes, sir; but, as I say—

Mr. McKELLAR. Has it been determined that Blattmann was a resident citizen?

Mr. BRANDEGEE. Blattmann was a Swiss, and he was over here in this country. He was not an alien enemy and never had been, nor had any of his firm. The former Senator from Georgia, Mr. Smith, offered to produce him before the subcommittee and allow us to examine and question him, and had him here in the galleries and downstairs, subject to our call. We saw no necessity of having him there, as the documents seemed to be ample to prove the claim and there was no dispute about it.

What I am at a loss to account for, however, is why the Alien Property Custodian, whose office made this blunder, will not answer either the Secretary of State or the Foreign Relations Committee as to what the situation about that claim is; and although it seemed to me that the case was a perfectly clear one, and that the claim ought to be paid, I hesitated to have final action taken upon it and then perhaps have the Alien Property Custodian say that it was all wrong and that it ought not to have been paid.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. BRANDEGEE. I yield.

Mr. ROBINSON. I notice in a letter printed in the report, which letter is dated August 22, 1919, that the Assistant Attorney General, Mr. R. P. Stewart, made the following statement:

The nonenemy character of the claimant is fully established and its claim accordingly has been allowed.

That was with reference to the proceeds of the property sold. Why did not the committee call the Alien Property Custodian before it and require him to testify about the matter?

Mr. BRANDEGEE. As I say, it was not until I noticed in the letter of the Secretary of State to the Senator from Massachusetts [Mr. LODGE], the chairman of the committee, that he had written two letters to the Alien Property Custodian for information, but had not received a reply to either of them, that I was put upon inquiry. I then wrote a courteous letter to the Alien Property Custodian, telling him that we had reported the bill favorably, and that it was upon the calendar, but that before final action was taken I should like to know why he did not answer the letters of the Secretary of State, and what the position of his department or bureau was on the question. I have received no reply from him. The Senator from Indiana [Mr. New] told me yesterday or the day before, when I spoke to him about this matter, that he had talked to the Alien Property Custodian, who told him verbally that the claim was all right; and I can not understand why he will not put that in writing so that there may be a record of it. The Senator from Indiana told me that I might state that fact upon the floor, and, if I understood him correctly, stated that the Alien Property Custodian said he had no objection to being quoted to that effect.

That is all I know about this matter.

Mr. McKELLAR. Mr. President—

Mr. BRANDEGEE. I yield.

Mr. McKELLAR. If the Senator and the committee are absolutely certain that this man, the claimant, was a Swiss and not a German or an Austrian—

Mr. BRANDEGEE. There is no question about his being a Swiss.

Mr. McKELLAR. If there was no question about his nationality, and no question about the difference in value, it seems to me the Government should pay it.

Mr. BRANDEGEE. It seemed so to the committee, and they so reported.

Mr. STERLING. Mr. President, I think the time limit has expired.

Mr. ROBINSON. I shall not object to the consideration of the bill.

The VICE PRESIDENT. The time of the Senator from Connecticut has expired.

Mr. WALSH of Montana and Mr. HITCHCOCK addressed the Chair.

The VICE PRESIDENT. The Senator from Montana.

Mr. WALSH of Montana. Mr. President, although this claim seems on its face to be absolutely just, and the man apparently is entitled to his money, this is a rather startling kind of a proposition. Apparently, the Alien Property Custodian not only seized and took possession of this man's property and held it in trust, but he went on and sold the property, and now, apparently, there is no controversy whatever but that the man is a Swiss. It does seem to me that under those circumstances some explanation ought to be forced out of the Alien Property Custodian by subpoenaing him before the committee. Of course, they must have had some reason, they must have had some in-

formation, they must have had some testimony to establish that the claimant was indeed a subject of one of the enemy countries. There must be in existence, as it seems to me, evidence countervailing that which appears in this record. If I might say so, there must be a file of the case in the office of the Alien Property Custodian.

Mr. BRANDEGEE. Mr. President, if the Senator will yield to me—

Mr. WALSH of Montana. I yield.

Mr. BRANDEGEE. The Senator will recall that I stated that I had requested the Alien Property Custodian to furnish me with information on the case, and he does not even answer the letter. He speaks verbally to the Senator from Indiana [Mr. NEW] about it, and I am at a loss to know why he will not answer the letter, why he will not put in writing, either to the Secretary of State or to the Senate committee, his views upon this question. He knows that the bill has been favorably reported, and if there is anything in his files that shows that it is an unjust bill, I assume that he would tell us so; but why he will not give in writing his opinion that the claim ought to be paid, if that is his opinion, I do not know.

Mr. STERLING. Mr. President, I invoke the rule as to time.

Mr. BRANDEGEE. The Senator from Montana yielded to me.

Mr. STERLING. I did not so understand.

Mr. WALSH of Montana. The Senator is speaking in my time.

Mr. BRANDEGEE. I want to call the Senator's attention to the fact that this property was taken not by the present Alien Property Custodian but by the previous one, and was sold by the previous one.

Mr. WALSH of Montana. Presumably he proceeded upon some information.

Mr. BRANDEGEE. I have no doubt he acted in good faith, and that he thought it was alien property.

Mr. WALSH of Montana. We ought to have the benefit of the information upon which he acted, at least.

Mr. HITCHCOCK. Mr. President, this has been a very serious comedy of errors, and I am actually in doubt at the present time whether Congress ought to recognize this claim or not. It was referred to a subcommittee, as the Senator from Connecticut has said, and the subcommittee gave a hearing to the attorney who represented Blattmann. It appeared to the subcommittee that it was a good claim. It was evident that Blattmann was not an alien enemy. It was evident that he had bought a certain amount of gluten prior to the war and had it stored in the United States. It was evident that it was seized by the Alien Property Custodian. It was evident that it was sold by the Alien Property Custodian for \$65,000, and when Blattmann made his claim to the State Department, the State Department made representations to the Alien Property Custodian, and the proceeds of the sale were paid over to Blattmann. A receipt was taken from the Swiss minister which purported to be a receipt in full, except for a note at the bottom that it was to the extent of \$65,000.

The evidence before the committee was that this gluten had cost Mr. Blattmann's firm \$88,000, and he received back in cash \$65,000, and this evidence was not before the committee at the time. What he claims is the advance in the value of the gluten which occurred since he purchased it in the United States, which, if paid, would amount to something like \$120,000.

When this came before the committee we were told that the State Department had been unable to get any reply out of the Alien Property Custodian as to the merits of the case, but a little later we learned that the Alien Property Custodian had directed the counsel for the Alien Property Custodian to reply, and he had replied. I think his name is Wilson. He disputed the right of Blattmann to have any further sum returned. I have not the Wilson letter here, but it was evident that it was an error to assume that the Alien Property Custodian had not resisted the claim, because, through his counsel, he did resist it.

The present attitude of the Alien Property Custodian is to avoid committing himself on the case. He declines to write a letter and declines to advise the committee, except as he personally says it would be all right to pay the claim.

Mr. WALSH of Montana. Was any evidence given as to the reason why Blattmann did not proceed, as entitled by law, to establish his claim in court?

Mr. HITCHCOCK. No explanation was made.

Mr. WALSH of Montana. He has a perfect right to do that.

Mr. HITCHCOCK. I think he has, but it was considered by the State Department as a matter of courtesy and grace that the United States should make good for the mistake. I think there is a legal question as to whether we are called upon to make good for the amount the goods might have been sold for

if they had been sold for the full market value. There is a question as to whether Blattmann is to be compensated for what he actually lost, taking the cost of the goods into account, or whether he should be compensated for what he lost, taking the advanced value into account.

Mr. McNARY. Mr. President—

Mr. HITCHCOCK. I am rather inclined to think it is a legal question, and that it would be better to have it submitted in the proper way as provided by the law. I yield to the Senator.

Mr. McNARY. If this bill leads to further discussion, I shall have to object to its consideration. It is taking the whole morning, and there are many bills that ought to be considered.

Mr. HITCHCOCK. I think I ought to make one statement, if the Senator will permit me. When the subcommittee discovered this additional evidence, it requested that the bill be recommitted to the committee, and that was done. Then, without any action by the committee, or any action by the subcommittee, it was again put upon the calendar, I think through an inadvertence, by the Senator from Indiana. We have never had an opportunity to consider it, as had been intended when we asked the Senate to recommit it.

Mr. OVERMAN. I just want to ask one question in regard to the bill.

Mr. McNARY. I object to the further consideration of the bill.

The VICE PRESIDENT. There is objection.

The LODGE. I ask for the regular order.

The VICE PRESIDENT. The regular order is the calendar. The Secretary will call the next number on the calendar.

PUBLIC WORKS.

The bill (S. 4472) to make an investigation of the needs of the Nation for public works to be carried on by Federal, State, and municipal agencies in periods of business depression and unemployment was announced as next in order.

Mr. DIAL. Let that go over.

Mr. FRELINGHUYSEN. Will not the Senator withhold his objection for a moment? This is a very important bill, and I do not think it will take long to consider it.

Mr. DIAL. I have no objection to the Senate considering it, but I object to its passage. If the Senator wants to make a statement, I will withhold the objection.

Mr. FRELINGHUYSEN. Does the Senator insist on his objection?

Mr. DIAL. I do.

The VICE PRESIDENT. The bill will be passed over.

GRADE CROSSINGS IN THE DISTRICT OF COLUMBIA.

The bill (S. 1847) to amend an act approved February 12, 1901, entitled "An act to provide for eliminating certain grade crossings on the line of the Baltimore & Potomac Railroad Co. in the city of Washington, D. C., and requiring said company to depress and elevate its tracks, and to enable it to relocate parts of its railroad therein, and for other purposes," was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That section 12 of the act entitled "An act to provide for eliminating certain grade crossings on the line of the Baltimore & Potomac Railroad Co. in the city of Washington, D. C., and requiring said company to depress and elevate its tracks, and to enable it to relocate parts of its railroad therein, and for other purposes," approved February 12, 1901, be, and the same is hereby, amended as follows:

Strike out the following words in said section: "Each street-railway company using said bridge shall pay, in addition to other taxes as by its charter provided, one-half of 1 cent for each and every passenger carried across said bridge," and insert in lieu thereof the following: "The street or electric railway company, or if more than one, then all, but not each, of such companies, using said bridge shall pay, in addition to other taxes as by its or their charter or charters provided, the sum of \$10,000 annually as compensation for the use of said bridge."

SEC. 2. That all acts or parts of acts inconsistent with this act be, and they are hereby, repealed.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ALLEY DWELLINGS IN THE DISTRICT OF COLUMBIA.

The bill (S. 4414) to amend the act of Congress approved September 6, 1922, relating to the discontinuance of the use as dwellings of buildings situated in alleys in the District of Columbia, was announced as next in order.

Mr. McKELLAR. Let the bill go over.

Mr. BALL. I trust the Senator will withdraw his objection. This is a very important bill. There are between fourteen and fifteen thousand alley dwellers in this District who, under the law, will be turned out on the 1st day of June. The law compels the District authorities to close all alleys by that date.

Mr. McKELLAR. I had an understanding about this matter with the Senator from Delaware, and I hope the measure can

be passed; but I am not going to permit it to go through to-day unless the agreement the Senator and I had is carried out.

Mr. BALL. I did not understand the Senator. Does he insist on his objection?

Mr. McKELLAR. For the present I do.

The VICE PRESIDENT. The bill will be passed over.

TERMINAL FACILITIES.

The bill (H. R. 6650) providing additional terminal facilities in square east of 710 and square 712 in the District of Columbia for freight traffic was announced as next in order.

Mr. McKELLAR. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

STANDARD FOR BUTTER.

The bill (H. R. 12053) to define butter and to provide a standard therefor was announced as next in order.

Mr. STERLING. I desire to submit a letter from the Secretary of Agriculture upon the bill, and would like to have it read.

The VICE PRESIDENT. Without objection, the Secretary will read the letter.

The reading clerk read as follows:

Hon. THOMAS STERLING,
United States Senate.

DEAR SENATOR: I am writing in response to a request from your office made on February 13 for an expression of the department's views regarding the pending Senate bill 3858, which proposes to establish a legislative standard for butter.

In the administration of the Federal food and drugs act, this department has been compelled to operate on the basis of administrative standards. It has been necessary in each instance where litigation involving the composition of butter was concerned to secure competent evidence from experts in the trade in support of the department's standard for that product. This necessitates considerable expense. The standard under which this department originally operated in the enforcement of the Federal food and drugs act was published in 1906, and called for a milk fat content of 82.5 per cent. This figure correctly represented the composition of butter as it was manufactured at that time. Conditions in the trade have changed, however, and the present practice sanctions the manufacture of butter having a milk-fat content as low as 80 per cent. In view of this the department has for several years observed in its regulatory work a tolerance of 2.5 per cent and no action under the law has been instituted against butter containing 80 per cent of milk fat or more. Many States, however, have in their laws a provision which automatically makes effective within the State, without providing for tolerances, those administrative standards adopted by this department. As a consequence, there has been during the last few years a great deal of confusion in the butter industry because of the variance between the Federal Government and certain States.

In recognition of this fact the department, on January 10, 1923, issued a new administrative standard for butter which calls for a fat content of not less than 80 per cent, which is the fat standard called for in the pending bill.

Mr. STERLING. I do not ask for the further reading of the letter. The Secretary of Agriculture has fixed the standard at 80 per cent instead of 82½ per cent, as it has been heretofore. He finds that the old standard does not accord with the custom of the trade, and is unworkable, and so he asks that the standard be fixed at 80 per cent, and that is the only purpose of this bill.

Mr. OVERMAN. I understood there was a conflict between the Federal Government and the governments of some of the States of the Union.

Mr. STERLING. There is; because some of the States of the Union have fixed 80 per cent as the standard. Where they have fixed 82½ per cent, the States have found the standard unworkable, and there is great confusion in the standards, and it is very hard to administer these varying regulations. Hence the Secretary of Agriculture says, in effect, "If you adopt an 80 per cent standard, which is sufficient, and make it the law, that will settle the matter, will make it certain, and the law will be more easily enforced than a mere regulation."

Mr. McKELLAR. Will the Senator accept an amendment on line 8, to strike out the words "and with or without additional coloring matter"?

Mr. STERLING. No; I will not.

Mr. McKELLAR. Then I object to it.

Mr. STERLING. Let me say to the Senator from Tennessee, that that is allowed now under the law. We have two statutes which allow of coloring matter.

Mr. McKELLAR. If it is allowed under the law, then it ought to be stricken out, and unless the Senator will permit that amendment, I object.

Mr. STERLING. I can not permit the amendment. I can not agree to the changing of the law.

Mr. NORRIS. I would like to ask the Senator from South Dakota what committee reported the bill?

Mr. STERLING. The Committee on Agriculture and Forestry, in the first place, and this is the same as the Senate bill reported by the Committee on Agriculture, except in the last six words, which are added.

Mr. OVERMAN. I object. It would interfere with the laws of some of the States.

Mr. McKELLAR. I call for the regular order.

The VICE PRESIDENT. The regular order is the calendar, and the Secretary will call the next number on the calendar.

BILLS PASSED OVER.

The bill (H. R. 5020) to provide for the sale by the Commissioners of the District of Columbia of certain land in the District of Columbia acquired for a school site, and for other purposes, was announced as next in order.

Mr. McKELLAR. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 5027) to amend an act approved February 28, 1899, entitled "An act relative to the payment of claims for material and labor furnished for District of Columbia buildings," was announced as next in order.

Mr. McKELLAR. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

ALLEY DWELLINGS IN THE DISTRICT OF COLUMBIA.

Mr. KING. I ask unanimous consent that the Senate consider Senate bill 4414, which the Senator from Tennessee objected to, a bill introduced by the Senator from Delaware, commonly called the "alley bill."

Mr. McKELLAR. I object for the present.

Mr. KING. It is a very important measure.

The VICE PRESIDENT. Objection is made.

JOSEPH F. BECKER.

The bill (S. 3615) for the relief of Joseph F. Becker was announced as next in order.

Mr. NORRIS. I think that in the consideration of a bill similar to this the Senate reached the conclusion that it wanted to provide for a different method of treatment than that provided for in this measure, and now I offer the same amendment, with the exception of the change of the name, that was offered by the Senator from New York [Mr. WADSWORTH] in the Livingston case and agreed to.

Mr. DIAL. What is the number of the bill?

Mr. NORRIS. It is Senate bill 3615. This is the same kind of a bill as the one in the Livingston case. I have that before me as it was agreed to.

Mr. OVERMAN. Was this man an officer of the same rank as Livingston?

Mr. NORRIS. No; of higher rank than that officer. I move to strike out all after the enacting clause and to insert:

That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension rolls, subject to the provisions and limitations of the pension laws, the name of Joseph F. Becker, late lieutenant commander, United States Naval Reserves, and pay him a pension at the rate of \$150 a month, to begin at the date of his discharge.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. SMOOT. As the only Senator who voted against granting a pension of \$150 a month to a lieutenant in the Navy, I do not propose to vote for any such proposition. I do not think the House will ever pass the bill. Therefore I shall object to its consideration.

Mr. NORRIS. Will the Senator just wait a moment? In the other case, after debate of an hour or two—three hours, as is suggested by a Senator near me—the Senate decided on the procedure it would follow. This is the same kind of a case, except that this man is an officer of higher grade than the one in the case we disposed of the other day. It seems to me the Senate, having decided on a policy in this kind of a case, should not allow a pension to one and refuse it to another.

Mr. SMOOT. I voted against the other bill.

Mr. NORRIS. I understand, and the Senator can vote against this bill.

THE MERCHANT MARINE.

The VICE PRESIDENT. The hour of 1 o'clock having arrived, under the unanimous-consent agreement the Senate will vote on the motion of the Senator from Arkansas [Mr. ROBINSON] to recommit to the Committee on Commerce the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes, on which the yeas and nays have been ordered.

Mr. LODGE. Mr. President, I make the point of no quorum.

The VICE PRESIDENT. The roll will be called.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Broussard	Colt	Dillingham
Ball	Bursum	Couzens	Edge
Bayard	Calder	Culberson	Ernst
Borah	Cameron	Cummins	Fernald
Brandegee	Capper	Curtis	Fletcher
Brookhart	Caraway	Dial	France

Frelinghuysen	Keyes	Norris	Smoot
George	King	Oddie	Spencer
Gerry	Ladd	Overman	Stanley
Glass	La Follette	Page	Sterling
Gooding	Lenroot	Pepper	Sutherland
Hale	Lodge	Phipps	Townsend
Harrell	McCormick	Pittman	Wadsworth
Harris	McCumber	Poindexter	Walsh, Mass.
Harrison	McKellar	Pomerene	Walsh, Mont.
Heflin	McKinley	Ransdell	Warren
Hitchcock	McLean	Reed, Pa.	Watson
Johnson	McNary	Robinson	Weller
Jones, N. Mex.	Moses	Sheppard	Williams
Jones, Wash.	Myers	Shields	Willis
Kellogg	New	Shortridge	
Kendrick	Norbeck	Smith	

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present. The question is on the motion made by the Senator from Arkansas [Mr. ROBINSON] to recommit the shipping bill, on which the yeas and nays have been ordered. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. EDGE (when his name was called). I have a general pair with the senior Senator from Oklahoma [Mr. OWEN]. At this time I am unable to secure a transfer. If permitted to vote, I would vote "nay."

Mr. LODGE (when his name was called). I announce my general pair with the senior Senator from Alabama [Mr. UNDERWOOD]. I am unable to obtain a transfer, so I refrain from voting. If allowed to vote, I should vote "nay."

Mr. OVERMAN (when Mr. SIMMONS's name was called). I desire to announce that my colleague [Mr. SIMMONS] is absent on account of illness. He has a general pair with the junior Senator from West Virginia [Mr. ELKINS]. If my colleague were present and permitted to vote, he would vote "yea."

Mr. FLETCHER (when Mr. TRAMMELL's name was called). My colleague [Mr. TRAMMELL] is unavoidably absent. He has a general pair with the Senator from Rhode Island [Mr. COLT]. I will let this announcement stand for the day.

The roll call was concluded.

Mr. COLT (after having voted in the negative). I have a general pair with the junior Senator from Florida [Mr. TRAMMELL]. I am unable to obtain a transfer, so I withdraw my vote.

Mr. CURTIS. I wish to announce that the senior Senator from Minnesota [Mr. NELSON] is paired with the senior Senator from Missouri [Mr. REED] and that the junior Senator from West Virginia [Mr. ELKINS] is paired with the senior Senator from North Carolina [Mr. SIMMONS].

The result was announced—yeas 36, nays 48, as follows:

YEAS—36.

Ashurst	France	Kendrick	Robinson
Bayard	George	King	Sheppard
Borah	Gerry	La Follette	Shields
Brookhart	Glass	McKellar	Smith
Capper	Harris	McNary	Stanley
Caraway	Harrison	Myers	Swanson
Culberson	Heflin	Norris	Walsh, Mass.
Dial	Hitchcock	Overman	Walsh, Mont.
Fletcher	Jones, N. Mex.	Pittman	Williams

NAYS—48.

Ball	Frelinghuysen	McKinley	Reed, Pa.
Brandagee	Gooding	McLean	Shortridge
Bronson	Hale	Moses	Smoot
Bursum	Harrell	New	Spencer
Caldor	Johnson	Norbeck	Sterling
Cameron	Jones, Wash.	Oddie	Sutherland
Couzens	Kellogg	Page	Townsend
Cummins	Keyes	Pepper	Wadsworth
Curtis	Ladd	Phipps	Warren
Dillingham	Lenroot	Poindexter	Watson
Ernst	McCormick	Pomerene	Weller
Fernald	McCumber	Ransdell	Willis

NOT VOTING—12.

Colt	Lodge	Owen	Stanfield
Edge	Nelson	Reed, Mo.	Trammell
Elkins	Nicholson	Simmons	Underwood

So the Senate refused to recommit the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes, to the Committee on Commerce.

FILLED MILK.

Mr. LADD. I move that the Senate proceed to the consideration of the bill (H. R. 8086) to prohibit the shipment of filled milk in interstate or foreign commerce, and I ask for the yeas and nays on the motion.

The yeas and nays were ordered.

Mr. HARRISON. Mr. President, I merely desire to know before I answer to my name if the motion which has been made by the Senator from North Dakota [Mr. LADD] is agreeable to the Senator from Washington?

Mr. JONES of Washington. Mr. President, I think I stated to the Senator from Mississippi the other day clearly what my position is.

Mr. HARRISON. But I should like to hear the Senator state it again.

Mr. JONES of Washington. I expect to vote for the motion of the Senator from North Dakota.

Mr. HEFLIN. Mr. President, this is the last test vote that will be had upon the ship subsidy bill, and I take it that the RECORD discloses the fact that those who were for the bill voted against recommitting it and those who were against the bill voted to recommit it.

Mr. COUZENS. Mr. President, I merely wish to point out that the conclusion of the Senator from Alabama that those who voted for the recommitment of the bill were in favor of the bill is not a correct assumption, for I voted against recommitting the bill, and I am not in favor of the bill.

Mr. HARRELD. Mr. President, I wish to say that the Senator from Alabama has no right to speak for me at any time.

REFERENCE OF NOMINATIONS.

Mr. LODGE. Mr. President, I ask unanimous consent that as in open executive session the nominations sent in by the President this day be referred to the appropriate committee.

The PRESIDING OFFICER (Mr. WILLIS in the chair). Is there objection to the request of the Senator from Massachusetts? The Chair hears none, and it is so ordered.

AMENDMENTS TO THE CONSTITUTION—TERMS OF PRESIDENT AND VICE PRESIDENT.

Mr. ASHURST. Mr. President, on February 13 last the Senate by the requisite majority agreed to the following Senate joint resolution.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of the Constitution when ratified by the legislatures of the several States as provided by the Constitution:

SECTION 1. That the terms of the President and Vice President of the United States, elected after the adoption of this amendment, shall commence at noon on the third Monday in January following their election.

SEC. 2. That the terms of Senators and Representatives, elected after the adoption of this amendment, shall commence at noon on the first Monday in January following their election.

SEC. 3. That the Congress shall assemble at least once in every year and such meeting shall be on the first Monday in January, unless they shall by law appoint a different day.

Mr. President, the Constitution, Article II, section 1, ordains that the President and Vice President shall hold office for the term of four years, but does not provide when the terms shall commence. The only recognition of the 4th of March succeeding the day of a presidential election as the day of the commencement of the terms of the President and Vice President is the provision in the twelfth amendment to the Constitution, effective September 25, 1804, that—

if the House of Representatives shall not choose a President whenever the right of choice shall devolve upon them before the 4th day of March next following, then the Vice President shall act as President, as in the case of the death or other constitutional disability of the President.

This would probably be construed to be a provision that the term of the President expired on the 4th of March after a presidential election—that a vacancy then exists—in which event the then Vice President succeeded to the office.

The time when the presidential electors should be elected, and the date on which they shall meet and give their vote is, by Article II, section 1, of the Constitution, left to the discretion of Congress, with the restriction that the day of voting shall be the same throughout the United States. An act was passed February 3, 1887, requiring them to meet and give their vote on the second Monday in January next after their appointment, in such place in each State as the legislature thereof shall direct; which vote, duly certified, to be delivered to the President of the Senate before the first Wednesday in February, and be canvassed by Congress, in joint session, on the second Wednesday in February thereafter.

The Constitution, while providing that Representatives shall hold their offices for two years (Art. I, sec. 2) and Senators for six years (Art. I, sec. 3), does not provide when the terms shall commence.

The commencement of the terms of the first President and Vice President, and of the Senators and Representatives composing the first Congress, was fixed by a resolution of Congress adopted September 13, 1788, providing "that the first Wednesday in March next—which happened to be the 4th day of March—be the time for commencing proceedings under the Constitution."

Congress has provided (act of Mar. 1, 1792, Rev. Stat., sec. 152) that the terms of the President and Vice President shall commence on the 4th day of March next succeeding the day on which the votes of the electors have been given, but there seems to be no statutes enacted since the adoption of the Constitution

fixing the commencement of the terms of Senators and Representatives.

The Constitution is proposed to be amended by the resolution as follows:

1. The terms of the President and Vice President, by the first section, are made to commence on the third Monday in January instead of the 4th day of March succeeding the election of electors.

The terms of Senators and Representatives are, by the second section, made to commence on the first Monday in January following their election.

The third section merely changes the second paragraph of section 4 of Article I of the Constitution, in effect, so as to provide that Congress shall meet each year, commencing on the first Monday of January instead of the first Monday in December.

Under the present law Congress does not convene in regular session until 13 months after the election of its Members. There was some reason for such a provision at the time of the formation of our Government, as it then took a long time to ascertain the results of elections and to reach the Capitol from remote parts of the country. But there is no excuse whatever now, since the most distant States of the Union are within a few days' travel of Washington.

Senators heretofore have been elected by the legislatures of the States in January, and sometimes not until February or March. But since the adoption of the seventeenth amendment to the Constitution, by which Senators are to be elected by the people, probably at the November election, it becomes opportune for Congress to convene in January following. The convening of Congress on the first Monday of December, as at present, is inopportune, as adjournment for the Christmas holidays is always taken and many Members go to their homes, returning late, which precludes any real work until January.

The reasons for the adoption of the proposed amendment are these:

First, Congress should at the earliest practicable time enact—within the limits of the Constitution—the principles of the majority of the people, as expressed in the election of each Congress. That is why the Constitution requires the election of a new Congress every two years. If it be not to reflect the sentiment of the people these frequent elections have no meaning nor purpose. Any evasion of this is subversive of the fundamental principle of our Government, that the majority shall rule. No other nation has its legislative body convene so long after the expression of the people upon governmental questions.

During the campaign preceding a congressional election the great questions that divide the political parties are discussed for the purpose of determining the policy of the Government and of having the sentiments of the majority crystallized into legislation. It seems to be trifling with the rights of the people when their mandates can not be obeyed within a reasonable time. It is unfair to an administration that the legislation which it thinks so essential to the prosperity of the country should be so long deferred. It is true an extraordinary session may be called early, but such sessions are limited generally to one or two subjects, which of necessity make for enormous waste of the time of each House, waiting for the other to consider and pass the measures.

Second. As the law is at the present time, the second regular session does not convene until after the election of the succeeding Congress. As an election often changes the political complexion of a Congress, under the present law many times we have the injustice of a Congress that has been disapproved by the people enacting laws for the people opposed to their last expression. Such a condition does violence to the rights of the majority. A Member of the House of Representatives can barely get started in his work until the time arrives for the nominating convention of his district. He has accomplished nothing, and hence has made no record upon which to go before his party or his people. This is an injustice both to the Members and to the people. The record of a Representative should be completed before he asks an indorsement of his course.

Third. Under the present system a contest over a seat in the House of Representatives is seldom, if ever, decided until more than half the term, and in many instances until a period of 22 months of the term has expired. For all that time the occupant of the seat draws the salary, and when his opponent is seated he also draws the salary for the full term; thus the Government pays for the representation from that district twice. But that is not the worst feature of the situation; during all of that time the district is being misrepresented, at least politically, in Congress.

By Congress meeting the first Monday in January succeeding the elections, contested-election cases can be disposed of at least during the first six months of the Congress.

Fourth. The President and Vice President should enter upon the performance of their duties as soon as the new Congress can count the electoral votes. The newly elected governors of the States are inducted into office as soon as the new legislatures of the States canvass the votes and declare their election. It is the old Congress which now counts the electoral votes. It is dangerous to permit the defeated party to retain control of the machinery by which such important officers are declared elected.

In the event that no candidate for President receives a majority of the electoral votes, the Constitution provides that the House of Representatives shall elect the President, each State having one vote. At the present time it is the old Congress that elects the President under such contingency, and thereby it becomes possible for a political party repudiated by the people to elect a President who was defeated at the election. Under the present provision of the Constitution, in the event the House fails to choose a President before the 4th of March, then the Vice President then in office becomes President for four years. This affords a temptation by mere delay to defeat the will of the people, and if it is ever exercised it will likely produce a revolution.

It is true that January weather might be inclement for an inaugural parade, but that is a reason too insignificant to constitute an argument against a constitutional amendment which promises so much for good government. Nearly all the governors of the States are inaugurated in January. The pomp and ceremony which usually attend the coronations of monarchs are at least not necessary to a republic.

But, Mr. President, even greater in importance than advancing the date for the inauguration of President and Vice President is our duty to submit a constitutional amendment so that the people themselves may have an opportunity to be heard upon the ratification of amendments.

I am happy to say that on Monday, February 26, the Senate Committee on the Judiciary ordered a favorable report on the following proposed amendment, to wit:

The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or, on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this Constitution, when ratified by the vote of the qualified electors in three-fourths of the several States, and that, until three-fourths of the States shall have ratified or more than one-fourth of the States shall have rejected or defeated a proposed amendment, any State in like manner may change its vote: *Provided*, That no State, without its consent, shall be deprived of its equal suffrage in the Senate.

If this proposed amendment should be ratified and become therefore a part of the Federal Constitution, it would mean that hereafter neither the legislatures of the various States nor conventions therein would be eligible to ratify proposed amendments to the Federal Constitution and that the qualified electors themselves would be the only eligible authority to ratify proposed amendments. This is simply a back-to-the-people amendment.

The Federal Constitution conserves and protects all that real Americans hold precious; it should not be changed by legislative caucus.

There is not a State in the Federal Union whose constitution may be amended by the State legislature. The State of Delaware is an apparent but not a real exception, as Delaware requires that an amendment to the State constitution must be proposed by at least two-thirds of one legislature, then there must be notice to the electors for a certain period before the next election, so that if they desire they can express their will at the polls upon the proposition, then the amendment must be ratified by a second legislature by a two-thirds vote, which gives them an indirect vote. The various State constitutions may be amended only by the electorate of the State. How utterly archaic, therefore, it is to deny the electorate an opportunity to express itself upon the proposed change in our fundamental law.

If the consent of the voters be required to alter and amend a State constitution, a fortiori, the vote of the people should be required to change the Federal Constitution.

It is vital to our American system that the voter should have an opportunity to say at the ballot box under what form of government he desires to live.

If you are not willing that the State legislatures should choose United States Senators, for a much stronger reason the State legislatures should not change your fundamental law.

Every argument in favor of the election of Senators by a direct vote of the people is a stronger argument in favor of consulting the people on constitutional amendments.

I favored the amendments providing for the income tax, direct election of Senators, prohibition, and woman suffrage. I believe they were wise amendments, and that they were in response to the deliberate judgment and progressive thought of a vast majority of our countrymen; indeed, I believe those amendments were demanded by the people and were not forced upon the people. My belief, unfortunately, does not settle the question; for the stubborn fact exists that millions of our countrymen thoroughly believe that the prohibition and woman-suffrage amendments were adopted by cunning, by craftiness and indirection, and that the Congress and the State legislatures were either browbeaten into voting for the amendments or were induced to do so by an insidious lobby. It is my opinion that if a referendum to the people on the prohibition and woman-suffrage amendments could have been had, each amendment would have been adopted and ratified by the electors. We should, therefore, take the requisite steps to preclude in the future a recurrence of such discontent and suspicion by providing a means by which the electors of each State may pass upon amendments to the Federal Constitution.

Mr. President, there are 435 Members of the House of Representatives and 96 Members of the Senate, in all 531. I ask unanimous consent to include in the *RECORD*, as a part of my remarks, a statement showing the number of State senators, number of members of the house or assembly, as the case may be, in the State legislatures.

Number of members in State legislatures according to the year 1919.

State.	Senate.	House or assembly.
Alabama.....	35	109
Arizona.....	19	35
Arkansas.....	35	100
California.....	40	80
Colorado.....	35	60
Connecticut.....	35	258
Delaware.....	17	35
Florida.....	32	75
Georgia.....	44	189
Idaho.....	37	65
Illinois.....	51	152
Indiana.....	50	100
Iowa.....	50	108
Kansas.....	40	125
Kentucky.....	38	100
Louisiana.....	41	115
Maine.....	31	151
Maryland.....	27	102
Massachusetts.....	40	240
Michigan.....	32	100
Minnesota.....	67	130
Mississippi.....	49	133
Missouri.....	34	142
Montana.....	41	95
Nebraska.....	33	100
Nevada.....	17	37
New Hampshire.....	24	404
New Jersey.....	21	60
New Mexico.....	24	49
New York.....	51	150
North Carolina.....	50	120
North Dakota.....	49	113
Ohio.....	36	128
Oklahoma.....	44	111
Oregon.....	30	60
Pennsylvania.....	50	207
Rhode Island.....	39	100
South Carolina.....	44	124
South Dakota.....	45	103
Tennessee.....	33	99
Texas.....	31	142
Utah.....	18	46
Vermont.....	30	246
Virginia.....	40	100
Washington.....	41	97
West Virginia.....	30	94
Wisconsin.....	33	100
Wyoming.....	27	57
	1,760	5,643

Members of senate.....	1,760
Members of houses of assembly.....	5,643
Total.....	7,403

So we have a total of 7,403 members of the State legislatures, according to the figures for the year 1919. Not two-thirds but a bare majority of that 7,400 men may pass upon an amendment to the Constitution.

We find ourselves in this posture: Two-thirds of the Congress and a majority of the 7,400, or about 4,500 men, pass upon the destiny of the most advanced people that ever lived in the tide of time. We set ourselves up as the leader among the nations in thought and as responsive to the people's will, and yet 4,500 men, if they saw fit, could Prussianize the Republic.

At this juncture I will read a brief extract from the statement by Mr. Caperton Braxton, of Staunton, Va., that was read

to the Committee on the Judiciary whilst Senate Joint Resolution No. 40 was being considered. It relates to the method in which the fifteenth amendment to the Constitution was ratified:

THE FIFTEENTH AMENDMENT—AN ACCOUNT OF ITS ENACTMENT.

[By A. Caperton Braxton, of Staunton, Va.]

"If the passage of this amendment through Congress was unseemly, its ratification by the State legislature was, in several instances at least, nothing short of scandalous.

"The amendment passed the Senate rather late Friday night, February 26, 1869. The next morning, as soon as the enrolled resolution was signed by the Presiding Officer, it was telegraphed by Congressman Sydney Clarke to the Legislature of Kansas, then on the point of adjournment. His telegram, entirely unofficial, was received by the legislature during its afternoon session, and that very evening, in less than 24 hours after the amendment had passed Congress, long before it had been certified to the States for action, and before anyone in Kansas had even seen it (other than Clarke's telegraphic copy), the legislature of that State ratified it. The people of Kansas, at the polls about a year previous, had voted against negro suffrage by a majority of 2 to 1.

"Senator Stewart, of Nevada, was, if anything, more anxious than Congressman Clarke, of Kansas, to obtain action by existing legislatures before the people could make themselves heard. The State of Nevada had very recently adopted a constitution which restricted suffrage to 'white' men. The people of that State, like those of California and Oregon, were overwhelmingly opposed to an extension of the elective franchise to any but white men—not so much for fear of the negro as of the Chinese vote. It was generally conceded among the radical press that Nevada would certainly reject the amendment, but they underrated the resources of their own generals. Late Friday night, as soon as the Presiding Officer had announced that 39 votes was two-thirds of a Senate of 66 Members, Senator Stewart, impressed with the fact just stated by him to the Senate that the legislatures were waiting to ratify the amendment, and that if it was not done by them, and at once, the whole thing would be lost, caused the Secretary of the Senate, without even waiting for the resolution to be enrolled or signed, to telegraph it to the Legislatures of Nevada and Louisiana, to which telegrams he and three others added a message urging the immediate ratification by the legislatures.

"This remarkable dispatch did not reach Nevada till the next morning, Saturday, when the legislature at once endeavored to comply with its instructions, but they were not quite so docile as in Kansas, and did not succeed until Monday morning, March 1, 1869, when they ratified the amendment against a strong written protest of the minority, including Republicans and Democrats. This protest insisted, among other things, that the amendment had not received the constitutional two-thirds majority in the Federal Senate; that the Legislature of Nevada had as yet no official knowledge of the proposed amendment (the telegraphic report of it being, as it afterwards transpired, materially incorrect); that the people of Nevada should be given an opportunity to be heard upon it, and that the people, by voting the Republican ticket for President, had just within a few months past ratified the declaration of the Republican platform of May, 1868, that the control by loyal States of their suffrage laws should not be interfered with. But all this was as baying at the moon, and Nevada was recorded as the second State ratifying the fifteenth amendment.

"The records of the Legislature of Missouri fail to show how that body was informed of the passage of the fifteenth amendment in Congress; the newspapers of the day said someone heard of it by telegram. This was enough; accordingly, that legislature, early Monday morning, March 1, 1869, suspended their rules and ratified what they thought was the amendment, but it turned out, after they had adjourned, that the thing they ratified was not the amendment at all and so they had to ratify all over again when they next assembled."

We have had 19 amendments to the Federal Constitution. I will consider the first 10 amendments as a part and parcel of the original Constitution, because when the Constitution was ratified it was upon the implied, in some cases express, understanding that these Bill of Rights amendments would be adopted. They were proposed and submitted by the First Congress on the 15th of September, 1789. They were 12 in number. The third, fourth, fifth, sixth, seventh, eighth, ninth, tenth, eleventh, and twelfth were ratified by the required number of States within exactly two years and three months. But No. 1 and No. 2 are still pending, and on the 15th day of next September will have been pending 134 years.

Congress, in submitting the prohibition amendment, laid a limit upon the time within which the States could ratify.

Amendments have been brought about by "amendment epochs." The eleventh and twelfth amendments were adopted in the 10-year period between 1794 and 1804, the twelfth having been brought about by the unfortunate tie in the Electoral College between Thomas Jefferson and Aaron Burr. Call that the first amendment epoch. Then, notwithstanding the fact that many scores of amendments were introduced in Congress and two were proposed between 1804 and 1864, no amendment was adopted; thus there was a 60-year period of immobility with respect to amending our Federal Constitution.

Then came the second amendment epoch, which began in 1865 and lasted until 1875. In that 10-year period the thirteenth, fourteenth, and fifteenth amendments were proposed and adopted.

Then came nearly 40 years of immobility, and then came the sixteenth, seventeenth, eighteenth, and nineteenth amendments—the third amendment epoch, 1909 to 1923—showing that these amendments move in cycles.

It is startling to investigate and then reflect upon the perils that have come and that in the future may come by a continued failure to set a time limit within which a proposed amendment may be ratified.

Four different amendments duly proposed by the Congress are now pending before the States for their action. These amendments are as follows:

One, proposed September 15, 1789, 134 years ago, relating to enumeration and representation:

ARTICLE I. After the first enumeration required by the first article of the Constitution there shall be one Representative for every 30,000 until the number shall amount to 100, after which the proportion shall be so regulated by Congress that there shall be not less than 100 Representatives, nor less than 1 Representative for every 40,000 persons, until the number of Representatives shall amount to 200, after which the proportion shall be so regulated by Congress that there shall not be less than 200 Representatives nor more than 1 Representative for every 50,000 persons.

Another, proposed September 15, 1789, 134 years ago, relating to compensation of Members of Congress:

ART. II. No law varying the compensation for the services of the Senators and Representatives shall take effect until an election of Representatives shall have intervened.

Another, proposed May 1, 1810, 113 years ago, to prohibit citizen^s of the United States from accepting presents, pensions, or titles from princes or from foreign powers:

If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honor, or shall, without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind whatever, from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the United States, and shall be incapable of holding any office of trust or profit under them, or either of them.

Another, proposed March 2, 1861, 62 years ago, known as the Corwin amendment, prohibiting Congress from interfering with slavery within the States:

No amendment shall be made to the Constitution which will authorize or give to Congress the power to abolish or interfere, within any State, with the domestic institutions thereof, including that of persons held to labor or service by the laws of said State. (12 Stat. 251.)

On September 15, 1789, 12 constitutional amendments were proposed by the First Congress. The requisite number of States ratified proposed articles numbered 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 within exactly two years and three months, whilst Nos. 1 and 2, although proposed 134 years ago, have not, according to the latest available returns, received favorable action by the requisite number of States and are yet before the American people, or the States, rather, have been for 134 years, and are now subject to ratification or rejection by the States. After those two proposed amendments, to wit, Nos. 1 and 2, had been in nubilous—"in the clouds"—for 84 years, the Ohio State Senate in 1873, in response to a tide of indignation that swept over the land in opposition to the so-called "back-salary grab," resurrected proposed amendment No. 2 and passed a resolution of ratification through the State senate. No criticism can be visited upon the Ohio Legislature that attempted to ratify the amendment proposed in 1789, and if the amendment had been freshly proposed by Congress at the time of the "back-salary grab," instead of having been drawn forth from musty tomes, where it had so long lain idle, stale, and dormant, other States doubtless would have ratified it during the period from 1873 to 1881.

Thus it would seem that a period of 134 years, or 84 years, within which a State may act is altogether too long, and I will support a proposition limiting the time to 6, 8, or 10 years within which a State may act under a particular submission, so that we will not hand down to posterity a conglomerate mass of amendments floating around in a cloudy, nebulous haze, which a State here may resurrect and ratify, and a State there may galvanize and ratify.

We ought to have homogeneous, steady, united exertion, and certainly we should have contemporaneous action with reference

to these various proposed amendments. Judgment on the case should be rendered within the ordinary lifetime of those interested in bringing about the change in our fundamental law. Final action should be had while the discussions and arguments are within the remembrance of those who are called upon to act.

There is still another reason why a time limit should be set: When the 12 amendments were submitted in 1789 there were only 13 States. Vermont had not been admitted, if I remember correctly.

Question: Should three-fourths of the States then in the Union or three-fourths of those now in the Union be the test as to what shall be the number required for ratification?

The amendment proposed on May 1, 1810, was submitted to the States under interesting and peculiar auspices and was as follows:

If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honor, or shall, without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind whatever from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the United States and shall be incapable of holding any office of trust or profit under them, or either of them.

What was the reason for that proposed amendment? It is probable that the Congress which submitted the amendment believed that when officials accept presents of great value they dissolve the pearl of independence in the vinegar of obligation.

Unfortunately, the annals of Congress and contemporary newspapers do not give any of the debate upon this interesting proposition. The only light thrown upon the subject by the annals is the remark of Mr. Macon, who said "he considered the vote on this question as deciding whether or not we were to have members of the Legion of Honor in this country." What event connected with our diplomatic or political history suggested the need of such an amendment is not now apparent, but it is possible that the presence of Jerome Bonaparte in this country a few years previous, and his marriage to a Maryland lady, may have suggested this measure.

An article in Niles's Register (vol. 72, p. 166), written many years after this event, refers to an amendment having been adopted to prevent any but native-born citizens from being President of the United States. This is, of course, a mistake, as the Constitution in its original form contained such a provision; but it may be possible that the circumstances referred to by the writer in Niles relate to the passage of this amendment through Congress in regard to titles of nobility. The article referred to maintains that at the time Jerome Bonaparte was in this country the Federalist Party, as a political trick, affecting to apprehend that Jerome might find his way to the Presidency through "French influence," proposed the amendment. The Federalists thought the Democratic Party would oppose it as unnecessary, which would thus appear to the public as a further proof of their subservency to French influence. The Democrats, to avoid this imputation, concluded to carry the amendment. "It can do no harm" was what reconciled it to all.

That amendment was submitted 113 years ago, and it was ratified within two years by Maryland, Kentucky, Ohio, Delaware, Pennsylvania, New Jersey, Vermont, Tennessee, Georgia, North Carolina, Massachusetts, and New Hampshire. It was rejected by two or three of the States. At one period of our national life the school-book histories and the public men stated that it was a part of our organic law, because in the early days of our Government the Secretary of State did not send messages to Congress announcing ratification or promulgate to the public any notice whatever as to when an amendment became a part of the Constitution. I have caused the journals, records, and files in the Department of State to be searched, and there may not be found any notice of any proclamation or promulgation of the ratification of the first 10 amendments to the Constitution. The States assumed—it was not an unwarranted or violent assumption—that when the requisite number of States had ratified an amendment it was then and there a part of our organic law.

When the War between the States began to throw its shadow over the land, men rushed here and there with a compromise to heal the breach, if possible, and tried to avert the shock that was apparently about to come to our governmental structure.

Expedient after expedient was proposed, and just before the adjournment of Congress—to wit, on March 2, 1861—the following amendment, known as the Corwin amendment, to the Constitution of the United States was proposed to the States, and it read as follows:

No amendment shall be made to the Constitution which will authorize or give to Congress the power to abolish or interfere, within any State, with the domestic institutions thereof, including that of persons held to labor or service by the laws of said State. (12 Stat. 251.) Proposed by Congress March 2, 1861.

That amendment was proposed by Congress on the 2d of March, 1861, and I warrant there are not 5,000 people in the United States to-day who know that such an amendment is now pending before the various States of the Union for their ratification. The amendment was ratified by the State of Ohio and by the State of Maryland through their legislatures and by the State of Illinois in 1862 by a convention.

Thus we perceive that a system which permits of no limitation as to the time when an amendment may not be voted upon by the State is not fair to posterity nor to the present generation. It keeps historians, publishers, and annalists, as well as the general public, constantly in doubt.

Having searched closely as to whether there is in the Constitution itself any expressed or implied limitation as to when an amendment may not be adopted, I am driven irresistibly to the conclusion that an amendment to the Constitution, once having been duly proposed, although proposed September 15, 1789, could not be recalled even by the unanimous vote of both Houses, if the Congress wished the same recalled, because the power to submit an amendment is specifically pointed out; but no power is given to recall it, and silence is negation.

I am not without authority, and I shall include in the Record some data I have collected on this subject.

I ask unanimous consent to insert in the Record some data respecting the ratification of the various amendments to the Constitution.

The PRESIDING OFFICER (Mr. WILLIS in the chair). Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

DISCUSSION OF CONSTITUTIONAL QUESTIONS INVOLVED. (Jameson.)

SEC. 585. VI. Two further questions may be considered: (1) When Congress has submitted amendments to the States, can it recall them? and (2) How long are amendments thus submitted open to adoption or rejection by the States?

1. The first question must, we think, receive a negative answer. When Congress has submitted amendments at the time deemed by itself or its constituents desirable to concede to that body the power of afterwards recalling them would be to give to it that of definitely rejecting such amendments, since the recall would withdraw them from the consideration of the States and thus render their adoption impossible. However this may be, it is enough to justify a negative answer to say that the Federal Constitution, from which alone Congress derives its power to submit amendments to the States, does not provide for recalling them upon any event or condition, and that the power to recall can not be considered as involved in that to submit as necessary to its complete execution. It therefore can not exist.

2. The same consideration will perhaps furnish the answer to the second question. The Constitution gives to Congress the power to submit amendments to the States; that is, either to the State legislatures or to conventions called by the States for this purpose, but there it stops. No power is granted to prescribe conditions as to the time within which the amendments are to be ratified, and hence to do so would be to transcend the power given. The practice of Congress in such cases has always conformed to the implied limitations of the Constitution. It has contented itself with proposing amendments to become valid as parts of the Constitution according to the terms of that instrument. It is therefore possible, though hardly probable, that an amendment once proposed is always open to adoption by the nonacting or nonratifying States.

The better opinion would seem to be that an alteration of the Constitution proposed to-day has relation to the sentiment and the felt needs of to-day, and that, if not ratified early, while that sentiment may fairly be supposed to exist, it ought to be regarded as waived and not again to be voted upon unless a second time proposed by Congress.

SEC. 586. In discussing the question of the right of the States to vote upon proposed amendments at any time after the date of their proposal it is proper to look into the consequences of such a right. If they have the right, there are now floating about us as it were in dubious several amendments to the Constitution proposed by Congress which have received the ratification of one or more States but not of enough to make them valid as parts of that instrument. Congress could not withdraw them, and there is in force in regard to them no recognized statute of limitations. Unless abrogated by amendments subsequently adopted they are, on the hypothesis stated, still before the American people to be adopted or rejected.

In 1873 the Senate of Ohio, acting upon the theory that once proposed an amendment to the Constitution is always open to ratification, adopted a joint resolution ratifying the second of the 12 amendments submitted to the States by Congress in 1789, but then rejected, providing that "no law varying the compensation of Members of Congress shall take effect until an election for Representatives shall have intervened." This resolution, prepared by Madison, was an excellent one; but suppose it had been unjust, proposed, perhaps, in the interest of a section or of a party, and, falling at the time to receive the requisite majority, it had subsequently by a concerted rally of those interested in its adoption been carried without discussion or a clear expression of the existing public will; is that a true construction of the Constitution which may be followed by so dangerous consequences? And supposing the right referred to exists, by what majority shall the resuscitated amendments be adopted? If proposed in 1789, when the States numbered but 13 and when a majority of 10 States might have ratified the amendment, how many would have been requisite in 1873, when there were 38 States which would have been called upon to vote? If the answer should be that 29 States must have voted to ratify, since that number was three-fourths of all the States in 1873, however reasonable such an answer might seem, it would be founded upon no statute or custom of the country, and therefore different opinions as to its reasonableness might well be entertained. Hence the danger of confusion or conflict. We discuss this question here merely to emphasize the dangers involved in the Constitution as it stands and to show the necessity of legislation to make certain those points upon which doubts may arise in the employment of the constitutional process for amending the fundamental law of the Nation. A constitutional statute of

limitation prescribing the time within which proposed amendments shall be adopted or be treated as waived ought by all means to be passed. (Jameson, John A. A Treatise on Constitutional Conventions (4th ed., 1887), pp. 634-636.)

AMENDMENTS TO THE CONSTITUTION OF THE UNITED STATES PROPOSED BY CONGRESS BUT NOT RATIFIED BY THREE-FOURTHS OF THE STATES, COLLATED BY SENATOR ASHURST.

APPORTIONMENT OF REPRESENTATIVES.

After the first enumeration required by the first article of the Constitution, there shall be 1 Representative for every 30,000 until the number shall amount to 100; after which the proportion shall be so regulated by Congress that there shall be not less than 100 Representatives nor less than 1 Representative for every 40,000 persons, until the number of Representatives shall amount to 200; after which the proportion shall be so regulated by Congress that there shall not be less than 200 Representatives nor more than 1 Representative for every 50,000 persons. (1 Stat. 97.) (Submitted at the same time as those which became part of the Constitution as amendments 1 to 10.)

Proposed by Congress September 15, 1789.

Ratified by the following States:

New Jersey, November 20, 1789. (Senate Journal, p. 199, 1st Cong., 2d sess.)

Maryland, December 19, 1789. (Senate Journal, p. 106, 1st Cong., 2d sess.)

North Carolina, December 22, 1789. (Senate Journal, p. 103, 1st Cong., 2d sess.)

South Carolina, January 19, 1790. (Senate Journal, p. 50, 1st Cong., 2d sess.)

New Hampshire, January 25, 1790. (Senate Journal, p. 105, 1st Cong., 2d sess.)

New York, March 27, 1790. (Senate Journal, p. 53, 1st Cong., 2d sess.)

Rhode Island, June 15, 1790. (Senate Journal, p. 110, 1st Cong., 2d sess.)

Virginia, October 25, 1791. (Senate Journal, p. 30, 2d Cong., 1st sess.)

Pennsylvania, September 21, 1791. (Senate Journal, p. 11, 2d Cong., 1st sess.)

Vermont, November 3, 1791. (Senate Journal, p. 98, 2d Cong., 1st sess.)

Pennsylvania had first rejected the proposed amendment March 10, 1790.

Rejected by Delaware January 28, 1790.

The Journals give no record of the action of the Legislatures of Massachusetts, Connecticut, and Georgia.

COMPENSATION OF MEMBERS OF CONGRESS.

No law varying the compensation for the services of the Senators and Representatives shall take effect until an election of Representatives shall have intervened. (1 Stat. 97.) (Submitted at the same time as those which became part of the Constitution as amendments 1 to 10.)

Proposed by Congress September 15, 1789.

Ratified by Congress September 15, 1789.

Maryland, December 19, 1789. (Senate Journal, p. 106, 1st Cong., 2d sess.)

North Carolina, December 22, 1789. (Senate Journal, p. 103, 1st Cong., 2d sess.)

South Carolina, January 19, 1790. (Senate Journal, p. 50, 1st Cong., 2d sess.)

Delaware, January 28, 1790. (Senate Journal, p. 35, 1st Cong., 2d sess.)

Vermont, November 3, 1791. (Senate Journal, p. 98, 2d Cong., 1st sess.)

Virginia, December 15, 1791. (Senate Journal, p. 69, 2d Cong., 1st sess.)

Rejected by New Jersey, November 20, 1789 (Senate Journal, p. 199, 1st Cong., 2d sess.); New Hampshire, January 25, 1790 (Senate Journal, p. 105, 1st Cong., 2d sess.); Pennsylvania, March 10, 1790 (Senate Journal, p. 39, 1st Cong., 2d sess.); New York, March 27, 1790 (Senate Journal, p. 53, 1st Cong., 2d sess.); Rhode Island, June 15, 1790 (Senate Journal, p. 110, 1st Cong., 2d sess.).

The Journals give no record of the action of the Legislatures of Massachusetts, Connecticut, and Georgia.

TITLES OF NOBILITY.

If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honor, or shall, without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind whatever, from any Emperor, King, prince, or foreign power, such person shall cease to be a citizen of the United States and shall be incapable of holding any office of trust or profit under them or either of them. (2 Stat. 613.)

Proposed by Congress May 1, 1810.

Ratified by the following States:

Maryland, December 25, 1810.

Kentucky, January 31, 1811.

Ohio, January 31, 1811.

Delaware, February 2, 1811.

Pennsylvania, February 6, 1811.

New Jersey, February 13, 1811.

Vermont, October 24, 1811.

Tennessee, November 21, 1811.

Georgia, December 15, 1811.

North Carolina, December 23, 1811.

Massachusetts, February 27, 1812.

New Hampshire, December 10, 1812.

Rejected by New York (senate) March 12, 1811; Connecticut, May session, 1813; South Carolina, approved by senate November 28, 1811, reported unfavorably in house and not further considered December 7, 1813; Rhode Island, September 15, 1814.

AMENDMENT ABOLISHING OR INTERFERING WITH SLAVERY PROHIBITED

(CORWIN AMENDMENT).

No amendment shall be made to the Constitution which will authorize or give to Congress the power to abolish or interfere, within any State, with the domestic institutions thereof, including that of persons held to labor or service by the laws of said State. (12 Stat. 251.)

Proposed by Congress March 2, 1861.

Ratified by the following States:

Ohio, March 13, 1861.

Maryland, January 10, 1862.

Illinois (convention), February 14, 1862.

ATTEMPTS TO REGULATE RATIFICATION.

On May 23, 1866, when the resolution proposing the fourteenth amendment was under consideration, Mr. Buckalew, of Pennsylvania, submitted an amendment to add to the resolution the following additional section:

"SEC. 6. This amendment shall be passed upon in each State by the legislature thereof which shall be chosen, or the members of the most popular branch of which shall be chosen, next after the submission of the amendment, and at its first session; and no acceptance or rejection shall be reconsidered or again brought in question at any subsequent session; nor shall any acceptance of the amendment be valid if made after three years from the passage of this resolution." (Cong. Globe, vol. 36, p. 2771.)

When the fifteenth amendment was before the Senate on February 3, 1869, Mr. Buckalew, of Pennsylvania, proposed to add to the resolution submitting it to the States the words:

"That the foregoing amendment shall be submitted to the legislatures of the several States, the most numerous branch of which shall be chosen next after the passage of this resolution." (Cong. Globe, vol. 40, p. 828.)

His speech in support of this proposal on February 5, 1869, is reported in the Congressional Globe, volume 40, pages 912 and 913. On February 8, 1869, this amendment was rejected—yeas 18, nays 43.

On February 17, 1869, an amendment practically identical with the above was offered by Mr. Hendricks, of Indiana, and the constitutionality of such a limitation was discussed by Senators Morton, Bayard, Buckalew, Dixon, and Yates. The question being taken, the amendment was rejected—yeas 12, nays 40. (Cong. Globe, vol. 40, pp. 1311-1314.)

On January 30, 1882, Mr. Berry, of California, introduced a joint resolution (H. J. Res. 116, 47th Cong., 1st sess.) proposing an amendment to the Constitution to regulate ratification, as follows:

"SECTION 1. The legislature of a State shall not vote upon a proposed amendment to the Constitution of the United States except at a regular session held following an election of the members of the most numerous branch of the State legislature, which election must take place subsequent to the time of submission by Congress or a convention of the proposed amendment.

"SEC. 2. This amendment shall not take effect until the 5th of March, 1885."

On March 17, 1869, Mr. Morton, of Indiana, introduced in the Senate, and on March 29, 1869, Mr. Shanks, of Indiana, introduced in the House, identical joint resolutions (S. J. Res. 32 and H. J. Res. 57, 41st Cong., 1st sess.), which read as follows:

"Be it enacted, etc., That on the sixth legislative day of a regular session, or of a legally called special session, of any State legislature, each house of said legislature, at the hour of 12 meridian, shall proceed to the consideration of any amendment of the Constitution of the United States that may have been submitted by the Congress of the United States to the legislatures of the several States for ratification according to the provisions of the fifth article of the Constitution of the United States: *Provided*, That such amendment may not have been acted upon at any preceding session of said legislature. And if, upon the consideration of such amendment, it shall receive the votes of a majority of the members elected to each house of said legislature, it shall be held to be duly ratified by such legislature. And if final action is not taken upon the first day, then the house shall meet the next day at the same hour and so continue to meet from day to day (Sundays excepted) until final action is taken upon such amendment. Nor shall the action of either house of said legislature upon such amendment be hindered or prevented by the resignation or withdrawal, or the refusal to qualify, of a minority of either or of both houses of said legislature.

"SEC. 2. And be it further resolved, That if such amendment or amendments shall be ratified according to the provisions of the preceding section, the same shall be duly certified by the officers of each house and shall be transmitted by the governor of the State to the President of the United States."

(Cf. Ames, H. V. The proposed amendments to the Constitution of the United States during the first century of its history. Pp. 287-292.)

FILLED MILK.

The PRESIDING OFFICER. The question is on the motion of the Senator from North Dakota [Mr. LADD] that the Senate proceed to the consideration of the bill (H. R. 8086) to prohibit the shipment of filled milk in interstate or foreign commerce.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Gerry	McCormick	Robinson
Bayard	Glass	McCumber	Sheppard
Borah	Gooding	McKellar	Shields
Brookhart	Hale	McKinley	Shortridge
Broussard	Harrell	McLean	Smith
Culder	Harris	McNary	Smoot
Cameron	Harrison	Moses	Spencer
Capper	Hedin	New	Sterling
Caraway	Hitchcock	Norbeck	Sutherland
Couzens	Johnson	Norris	Swanson
Cummins	Jones, N. Mex.	Oddie	Townsend
Curtis	Jones, Wash.	Overman	Wadsworth
Dial	Kellogg	Page	Walsh, Mass.
Dillingham	Kendrick	Pepper	Walsh, Mont.
Edge	Keyes	Phipps	Warren
Ernst	Ladd	Pittman	Watson
Fletcher	La Follette	Poinexter	Weller
Frelinghuysen	Lenroot	Ransdell	Williams
George	Lodge	Reed, Pa.	Willis

The PRESIDING OFFICER. Seventy-six Senators having answered to their names, a quorum is present.

The question is on the motion of the Senator from North Dakota [Mr. LADD] to proceed to the consideration of House bill 8086, known as the filled milk bill. The yeas and nays have been ordered.

Mr. DIAL. Mr. President, I understand the shipping bill is at an end and will not be brought up any more during this session. Therefore we are at liberty to vote now as we see proper with reference to other legislation. The motion now pending is to take up the so-called filled milk bill. To my mind the legislation is unnecessary, and certainly at this late day in the session will take up considerable time and create a great deal of discussion. I do not deem it of any great importance one way or the other.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. DIAL. Certainly.

Mr. LENROOT. I would like to remind the Senator that the shipping bill is still before the Senate but will be displaced if the pending motion prevails.

Mr. DIAL. But we could displace it by taking up any other business.

Mr. LENROOT. Any matter that is taken up would displace it. The point I wanted to make is that the shipping bill is still before the Senate.

Mr. DIAL. I understand that; but it will not be seriously pressed again.

Mr. LENROOT. Of course, no other motion can be made until the pending motion is disposed of.

Mr. DIAL. I understand the parliamentary situation, and I am going to ask Senators to vote down the pending motion. That is the way to get rid of it, as I understand it.

We have a great many bills on the calendar. Probably every Senator is interested in getting some of the bills passed. I myself have some bills that I am anxious to get disposed of at this session if possible. If the filled milk bill is taken up I have a very important amendment which I propose to offer and which, no doubt, will provoke a great deal of discussion. I do not deem that the discussion would be out of place at all, because I think it would be very enlightening to the country. It would also help to educate the people along lines upon which I am very desirous of having them better posted.

Therefore I think the Senate ought to know beforehand that if the filled milk bill is taken up it will consume considerable time, possibly a day or two. We ought to vote down the motion and proceed with the calendar where we left off this afternoon. I hope the motion will be voted down and that we may proceed with the calendar.

The PRESIDING OFFICER. The question is on the motion of the Senator from North Dakota [Mr. LADD] to proceed to the consideration of the so-called filled milk bill, on which the yeas and nays have been ordered. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. EDGE (when his name was called). I have a general pair with the senior Senator from Oklahoma [Mr. OWEN]. Not having been able to secure a transfer, I withhold my vote.

Mr. LODGE (when his name was called). On this question my general pair, the senior Senator from Alabama [Mr. UNDERWOOD], has a special pair with the Senator from New Mexico [Mr. BURSUM]. I am therefore at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. ERNST. I have a general pair with the senior Senator from Kentucky [Mr. STANLEY]. I transfer that pair to the senior Senator from Maryland [Mr. FRANCE] and vote "yea."

Mr. SWANSON (after having voted in the affirmative). I have a pair to-day with the senior Senator from Michigan [Mr. TOWNSEND]. I understand that he would vote as I have voted, so I let my vote stand.

The PRESIDING OFFICE (Mr. WILLIS, after having voted in the affirmative). The present occupant of the chair is paired with the senior Senator from Ohio [Mr. POMERENE]. He transfers that pair to the senior Senator from Minnesota [Mr. NELSON], and permits his vote to stand.

Mr. PEPPER. Mr. President, I merely wish to say that the vote I have cast in opposition to the pending motion is not because of any opposition to the filled milk bill, which I heartily favor and for which I shall vote, but merely in conformity with my position that the ship subsidy bill should not be disposed of otherwise than by voting it up or down.

Mr. CURTIS. I wish to announce the following pairs:

The Senator from West Virginia [Mr. ELKINS] with the Senator from North Carolina [Mr. SIMMONS];

The Senator from Colorado [Mr. NICHOLSON] with the Senator from Missouri [Mr. REED];

The Senator from New Mexico [Mr. BURSUM] with the Senator from Alabama [Mr. UNDERWOOD];

The Senator from Delaware [Mr. BAIL] with the senior Senator from Florida [Mr. FLETCHER];

The Senator from Rhode Island [Mr. COLT] with the junior Senator from Florida [Mr. TRAMMELL]; and

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN].

The result was announced—yeas 63, nays 7, as follows:

YEAS—63.

Ashurst	Harrell	McKellar	Shortridge
Borah	Harris	McKinley	Smith
Brookhart	Harrison	McNary	Spencer
Cameron	Heflin	Moses	Sterling
Capper	Hitchcock	Norbeck	Sutherland
Couzens	Johnson	Norris	Swanson
Cummins	Jones, N. Mex.	Oddie	Townsend
Curtis	Jones, Wash.	Overman	Wadsworth
Dillingham	Kellogg	Page	Walsh, Mass.
Ernst	Kendrick	Pittman	Walsh, Mont.
Fletcher	Keyes	Polindexter	Warren
Frelinghuysen	Ladd	Ransdell	Watson
George	La Follette	Reed, Pa.	Weller
Glass	Lenroot	Robinson	Williams
Gooding	Lodge	Sheppard	Willis
Hale	McCormick	Shields	

NAYS—7.

Bayard	Dial	New	Phipps
Calder	Gerry	Pepper	

NOT VOTING—26.

Rail	Edge	Myers	Smoot
Brandegee	Elkins	Nelson	Stanfield
Broussard	Fernald	Nicholson	Stanley
Bursum	France	Owen	Trammell
Caraway	King	Pomerene	Underwood
Colt	McCumber	Reed, Mo.	
Culberson	McLean	Simmons	

So the motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 8086) to prohibit the shipment of filled milk in interstate or foreign commerce, which had been reported from the Committee on Agriculture and Forestry with amendments.

Mr. LADD. I ask that the formal reading of the bill be dispensed with, that the bill be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota? The Chair hears none, and it is so ordered.

Mr. DIAL. Mr. President, I send to the desk an amendment to the pending bill.

The PRESIDING OFFICER. The Chair advises the Senator from South Carolina that under the order just made committee amendments are to be first considered.

Mr. DIAL. I do not ask for the present consideration of the amendment. I merely ask that it be printed and lie on the table.

The PRESIDING OFFICER. The amendment will be printed and lie on the table.

NOMINATION OF SENATOR NEW TO BE POSTMASTER GENERAL.

Mr. HARRISON. Mr. President, on yesterday there came before the Senate the nomination of the junior Senator from Indiana [Mr. NEW] to be Postmaster General of the United States. The Senate did the very appropriate thing in confirming that nomination quickly and unanimously in open executive session. I am quite sure that the nomination of Senator New for Postmaster General is pleasing not only to all his colleagues on this side of the aisle but to every Member of the Senate. No Senator in this body has more warm personal friends than has the distinguished junior Senator from Indiana. The President by this appointment shows a feeling of personal gratitude as well as party appreciation.

As a member of the minority, I wish to say that it delighted me to see the nomination come in. I am sure that the Senator will continue to reflect credit on his State, as he has done heretofore, as well as upon his colleagues with whom he has served in the Senate. We wish for him success and happiness in his new public service.

THE RAILROAD AND THE FINANCIAL SITUATION.

Mr. GOODING. Mr. President, early in this session I introduced three bills proposing to amend the interstate commerce act. Unfortunately, because of the illness of the chairman of the Committee on Interstate Commerce [Mr. CUMMINS], there was no hearing had on any of the bills. It seems to me it is very unfortunate that a great committee of the Senate like the Interstate Commerce Committee should cease to function merely because its chairman is ill. I feel it very proper for me at this time to give the Senate some reason why I introduced the bills.

On December 8, 1922, I introduced Senate bill 4120 amending the fourth section of the interstate commerce act, making it unlawful for any common carrier subject to the provisions of that act to charge or receive a greater compensation for the transportation of freight for a shorter haul than for a longer haul over the same road moving in the same direction.

The violation of the fourth section, which permits railroads to charge more for a shorter haul than for a longer haul, has broken down and destroyed the use of our rivers for the transportation of freight, and at the same time it has worked a great hardship on the interior of all the Western States. This policy has done much to build up great cities at the expense of the interior, a policy that, in my judgment, is dangerous, unfair, unjust, and un-American.

The purpose of the bill is to deny to the Interstate Commerce Commission the right to permit the railroads to charge more for the shorter haul than for a longer haul on the same class of freight over the same railroad moving in the same direction to meet water competition.

This bill does not forbid such violations of the fourth section as have been permitted on circuitous roads whose lines are much longer than those of railroads that are constructed directly through the country. There may be some merit in permitting violations of the fourth section in such cases. The purpose of this bill is to deny to the Interstate Commerce Commission the right to permit violations that have for their purpose the destruction of water competition on our rivers and the coastwise shipping of the country.

Nothing in our railroad laws has been so much discussed or caused so much litigation as the violations that have been permitted under the fourth section of the interstate commerce act by the Interstate Commerce Commission.

Mr. President, I voted for the appropriation of \$56,000,000 for river and harbor improvements as passed by the House and reported by the Senate committee, and recommended by the engineers as being necessary at this time for river and harbor improvements, for I believed if the amendment cutting down the recommendations of the engineers for river and harbor improvements from \$56,000,000 to \$27,000,000 should pass it would mean the abandonment of all the smaller projects that benefit the interior of the country. With an appropriation of only \$27,000,000 I was satisfied that only harbors, and possibly some of the rivers in the South where there is much levying yet to be done, could receive any consideration by the Government.

I believe that the reduction to \$27,000,000 would mean the abandonment of the work proposed on the Columbia River, which is of vital importance to what we call in the West the inland empire, the granary of the West.

For a number of years water transportation on the Columbia and on the Snake, which flows through my State, has had a remarkable influence on freight rates at Lewiston, Idaho. Lewiston is in what we call the inland empire, and around Lewiston is one of the great wheat sections of America. Because there was water transportation on the Snake a number of years ago, the wheat rate from Lewiston to Portland, Oreg., is 24 cents per 100, while the wheat rate from Weiser, Idaho, which is in the southern part of the State, but is not affected by water transportation and is practically the same distance from Portland, is 35½ cents per 100. The farmers at Lewiston, because of the possibility of water transportation, are receiving a rate that is 47½ per cent lower than that granted to the farmers around Weiser, with practically the same length haul over railroads owned and operated by the same system.

If the amendment providing an appropriation of \$27,000,000 had been adopted the country would have had a right to believe that it was the intention of Congress to abandon all of our river improvements for the benefit of water transportation.

Mr. President, if it became known that it was the policy of this Government to abandon river improvements designed for the benefit of water transportation, overnight the railroads would be petitioning the Interstate Commerce Commission for an increase in railroad rates that are now affected by water transportation.

With me the small projects in the interior of the country constituted the strength of the appropriation recommended by the engineers, for if this country is to reach its fullest possible greatness as a nation and is to continue to be a factor in the trade of the world, in view of the high freight rates on our railroads to-day there are two things that are of vital necessity: First, more electric power and cheaper power; and second, water transportation on all of our rivers where it is possible, even by a system of canalization.

It is through this system that I hope some day to see water transportation extended on the Snake River in Idaho until the people of my State are able to ship by water the products of the great valley of the Snake from some place in southern Idaho to the markets of the world.

I am satisfied that the amount of power that could be developed on such a project as the Snake River, together with the

benefit that water transportation would afford, would make this project entirely feasible.

Mr. President, let me say to the Senators that it is not strange that the railroads should destroy water transportation wherever it is possible for them to do so. With the railroads it is a business proposition not to permit any development of water transportation where it is possible to break it down and destroy it. Nor am I blaming the Interstate Commerce Commission altogether for permitting the violation of the fourth section. Congress has refused for many years to pass a bill that would make the fourth section absolute.

As I see it, the responsibility for the destruction of transportation on our rivers rests with Congress, and the responsibility can not be shifted to the railroads or to the commission. In this age of selfishness it must be expected that the railroads are going to hold a monopoly of the transportation of this country and destroy water competition just as long as Congress will permit them to do so.

But it is not my purpose at this time to discuss at any length the bill which I have introduced. It is a great disappointment to me that the Interstate Commerce Committee of the Senate has not seen fit to give the measure some consideration, for the bill is of great importance.

On December 9 I introduced Senate bill 4135, the purpose of which is again to amend section 4 of the interstate commerce act, making it unlawful for any common carrier subject to the provisions of that act to charge or receive a greater compensation for the transportation of the same kind of freight for the same distance in one direction than in another, to divert traffic from the short haul to the long haul, or to deny shippers the right to route traffic via the short haul in connection with competing carriers by rail or water. For example, the Union Pacific controls the Oregon Short Line and the Oregon-Washington Railroad & Navigation Co., so that it can be said that the lines of the Union Pacific extend from the Missouri River to Portland, Seattle, and other Pacific coast points.

Through the policy of charging excessive rates for the short haul westbound to water transportation the railroads force practically all of the farm products of Idaho and eastern Oregon over the long haul to the eastern markets. In this way the Union Pacific denies to the people of Idaho the use of the great Pacific Ocean, which God Almighty no doubt created for the benefit of all the people. At the same time they have denied to the people of my State and eastern Oregon the use of the Panama Canal, which the people of the interior were taxed to help build, as were the remainder of the people of America.

This same policy is followed on all the great transcontinental railroads in the West. Wherever it is possible the transcontinental railroads have forced all kinds of freight from the interior over the long haul to the East.

Mr. President, this policy has done much to bring about the car shortage in America, from which all the country has suffered during the last 20 years. It is this policy of forcing all of the products of the West over the long haul to the eastern markets which brings about the great congestion in the eastern freight yards when farm products are moving to market.

In railroad circles the Chicago freight yards are called the "neck of the bottle," through which much of the traffic of the West must pass. In those yards great congestion occurs every year when farm products are moving to market, causing great delay and contributing to the car shortage.

By every right all of Idaho's wheat and all of Idaho's wool and most of Idaho's products should be shipped to Portland, where they would receive the benefit of water transportation through the Panama Canal to the eastern and southern markets.

Here are a few concrete examples of what happens to the farmers of Idaho: The distance from Weiser, Idaho, to Portland is 412 miles; the distance from Weiser to Chicago is 1,861 miles. The rate on wheat to Portland from Weiser is 35½ cents per hundred; the rate on wheat from Weiser to Chicago is 65½ cents per hundred.

If the Idaho farmers at Weiser were given the same rate on a mileage basis to Portland that they are to Chicago, they would have a rate of 14½ cents per hundred instead of 35½ cents per hundred. The rate on wheat from Portland to Weiser is just two and a half times more on a mileage basis than it is to Chicago.

Take wool: The rate on wool from Shoshone, Idaho, to Portland, a distance of 608 miles, is \$1.29½ per hundred. The rate on wool from Shoshone to Boston, a distance of 2,691 miles, is \$2.81 per hundred. If the farmers had the same rate on wool on a mileage basis from Shoshone that is made on wool to Boston, they would have a rate of 63 cents per hundred instead of \$1.29½ to Portland.

I quite agree that more should be charged on a mileage basis for a short haul than for a long haul, but I find that the average freight haul in the United States is 181 miles; so the haul of 416 miles from Weiser to Portland and the haul of 608 miles from Shoshone to Portland can not be called a short haul.

It takes from 30 to 60 days for a car of wool shipped from Shoshone, Idaho, to reach Boston. It is safe to say that the same car, if shipped to Portland, would reach that point in from 6 to 10 days. The same is true of wheat shipped from Weiser to Portland. A car of wheat shipped from Weiser would take from four to six days to reach Portland, while it is safe to say that it requires 30 days to transport this same car of wheat to Chicago.

All of the railroads in the United States insist on forcing every ton of freight they can over the long haul on their railroads, whenever it is possible to do so, by charging exorbitant rates for the short haul.

In this car shortage, hundreds of millions of dollars have been lost by the American people to sustain a policy of criminal extravagance in handling the commerce of the country. This outrageous policy has done much to retard the growth and development of the West. The purpose of this policy, of course, is to destroy as far as possible water transportation in this country, and up to the present time its work has been almost complete.

Mr. President, as far as the West is concerned, I believe the railroads themselves would be benefited if they would adopt a policy that would give the interior of our Western States a chance to grow, a chance to develop their own resources, a chance to have manufacturing institutions, a chance to enjoy the same privileges as other people in America, which is impossible at the present time under the policy of our transcontinental railroads.

One of the great needs of the country to-day is a better distribution of the people. The present policy of the railroads is to build great cities at terminal points. This policy is responsible, in a large measure, for the congested condition of our population—a policy that, if continued, will impair the growth and development of the whole country and make the problems of Government harder to solve.

Mr. President, on December 11, 1922, I introduced Senate bill 4148. If this bill could have been passed at this session of Congress it would have given the farmers of this country immediate relief.

Of course, I understood when I introduced this bill that I should be told that Congress should not legislate on railroad rates; that it is impractical, and that a great injustice might be done the railroads of this country. It seems to be all right for the railroads to paralyze the great agricultural interests of the country, but when agriculture asks for relief we immediately hear about the wrecking of the great railroad system of America.

If I had believed that a majority of the Interstate Commerce Commission were in sympathy with and wanted to be fair to the great agricultural interests of the country, then I should not have introduced this bill; but when I investigate the horizontal increases made as the result of the Federal control act and the Esch-Cummins Act, in which, with but one or two exceptions, horizontal increases were made on the agricultural products, the same as on the higher-priced commodities of the country, without any investigation or consideration of what the farm products would bear to carry them to market, or as to how high the rate or how low the rate was originally, or how long the haul or how short the haul I am forced to the conclusion that at least a majority of the Interstate Commerce Commission is without sympathy for the great agricultural interests of this country; for any expert on railroad rates must have understood that such a horizontal increase was unfair and unjust and they should have known that it was criminal, and that the results would be just what they have been—the wrecking of agriculture.

Mr. President, the action of the Interstate Commerce Commission in ordering these horizontal increases was beyond my understanding until I read an article in the *Manufacturers' Record*, of Baltimore, of February 22, 1923. I will read the headlines of this article, and I am going to ask that it be printed in the *Record*, in 8-point type, following my remarks.

There being no objection, the matter referred to was ordered to be printed in the *Record* in 8-point type.

Mr. McNARY. Mr. President—

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Idaho yield to the Senator from Oregon? Mr. GOODING. I do.

Mr. McNARY. The article referred to by the able Senator from Idaho is a splendid one, and I should like to have it read from the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The reading clerk proceeded to read the article. After having read for some time—

Mr. GOODING. Mr. President, I ask that the reading be discontinued and that the remainder of the article may be printed in the RECORD without reading.

Mr. DIAL. I object. Let us have the whole article read. It is very interesting.

The VICE PRESIDENT. The reading will be continued.

The reading clerk continued and concluded the reading of the article.

Mr. STERLING. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his parliamentary inquiry.

Mr. STERLING. I inquire whether the reading of this document is bound to continue, or whether a Senator may object to the further reading at the desk under the circumstances?

The VICE PRESIDENT. The reading has been concluded.

Mr. STERLING. I am glad to hear it.

Mr. DIAL. Mr. President, will the Senator from Idaho yield?

Mr. GOODING. I yield.

Mr. DIAL. Mr. President, the article which was being read at the desk was, I thought, much longer than indicated by the reading. I was very much interested in hearing the article read, but if there is any more of it, and if the Senator desires to put it in the RECORD, I shall have no objection.

Mr. GOODING. I am glad the Senator has withdrawn his objection. I ask that it may be printed in the RECORD in 8-point type as an appendix to my remarks.

The VICE PRESIDENT. The article having been read, it goes in the RECORD, anyway.

Mr. GOODING. Mr. President, the article just read embodies a resolution adopted at the meeting therein referred to, which seems to me to be the most remarkable resolution ever passed by any body of men in America. Why bankers who met in this city to deflate credits and to deflate everything else should want to inflate railroad rates is clear beyond my understanding, unless, of course, it was for the purpose stated in the editorial in the Manufacturers' Record, to deflate the whole country and to destroy its prosperity. God knows that was its effect. No man ever uttered truer words than Governor Harding did when he said on dismissing that body of bankers, "Your work will spread throughout the whole country." A short time after that meeting of May 18, 1920, the bankers of the West were called to Chicago, and the damnable work of this conspiracy of destroying the prosperity of America was spread all over the country.

Will anyone tell me why the bankers, with the Secretary of the Treasury sitting in their midst, should unanimously pass a resolution providing for the appointment of a committee of five to go before the Interstate Commerce Commission and the Shipping Board to ask for increased freight rates? No body of men in America understand, Mr. President, any better than did the men who were present at that meeting that the farmers of this country pay the freight; there is not any doubt about that; and that increase in freight rates meant, of course, a deflation in the price of farm products. That was the purpose of it, and that was the method of following the lines of easiest resistance. Of course, the unorganized agricultural interests broke down, and during the last three years have lost, because of this deflation, something over \$34,000,000,000 in the shrinkage in the value of their land and the value of their products as compared with 1919. Talk about a conspiracy! This country never heard of such damnable work as followed the adoption of the resolution passed at that meeting of the Federal Reserve Board and those who met with them.

Mr. President, this is most important, it seems to me, but I am not going to discuss it any longer, for the editorial discusses the whole problem very fully. I think the people of this country owe a debt of gratitude to the Manufacturers' Record, of Baltimore, for having the courage to publish the story of this conspiracy as it was formed here in this city on May 18, 1920. I offer the resolution which I send to the desk.

Mr. HEFLIN. Mr. President, will the Senator yield?

Mr. GOODING. I yield for a question.

Mr. HEFLIN. Does the Senator recall the fact that some days ago some one on the floor of the Senate said that the country banks were trying to shift the responsibility onto the regional reserve banks, stating that the country banks refused to make loans to the people, and gave as their reason for so doing that the necessary money was denied them by the Fed-

eral reserve banks. This conspiracy discloses the fact that they agreed not to make loans to the country banks, and it was agreed that they must get these bankers to meet them face to face and tell them they were not going to get the loans.

Mr. GOODING. The Senator is correct.

This article shows they refused to make loans on notes backed by Government Liberty bonds, to purchase which some people had almost bled, and that through that method they deflated the price of Liberty bonds and forced them on the market. I ask for the reading of the resolution which I send to the desk.

The VICE PRESIDENT. The Secretary will read as requested.

The principal legislative clerk read the resolution (S. Res. 460), as follows:

Whereas it is reported in the Manufacturers' Record of February 22, 1923, that on May 18, 1920, there was held in Washington a secret meeting of the Federal Reserve Board, the Federal Advisory Council, and the class A directors of the Federal reserve banks; and

Whereas it is reported in the Manufacturers' Record of February 22, 1923, that the then governor of the Federal Reserve Board, in closing the above-mentioned meeting, said: "I would suggest, gentlemen, that you be careful not to give out anything about any discussion of discount rates. That is one thing there ought not to be any previous discussion about, because it disturbs everybody, and if people think rates are going to be advanced, there will be an immediate rush to get into the banks before the rates are put up and the policy of the Reserve Board is that that is one thing we never discuss with a newspaper man. If he comes in and wants to know if the board has considered any rates or is likely to do anything about any rates, some remark is made about the weather or something else and we tell him we can not discuss rates at all. And I think we are all agreed it would be very ill advised to give out any impression that any general overhauling of rates was discussed at this conference. We have discussed the general credit situation and your committee, which has been appointed with plenary powers, will prepare a statement which will be given out to the press to-morrow morning and we will all see what it is. You can go back to your banks and, of course, tell your fellow directors as frankly as you choose what has happened here to-day, but caution them to avoid any premature discussion of rates as such. We have had an exceedingly interesting day, gentlemen. The suggestions which have been made are valuable and we have profited by your views. I wish to express on behalf of the board our appreciation of your coming here and to thank you for the unselfish and loyal interest you have taken in the Federal bank situation throughout the country in giving this matter the careful thought and consideration that you have. And I am sure that the spirit which has manifested itself at this meeting here to-day will spread throughout all the country, to the member and non-member banks, and if it does we can look the future in the face with courage and confidence"; and

Whereas there appears in the Manufacturers' Record of February 22, 1923, the following statement: "When the press is denied the right to learn for itself what is going on and must accept as law and gospel any prepared report, the public may rest assured that it is not getting the real facts, and yet such a prepared report was all that the press has heretofore ever been able to secure as to the discussions which took place in that meeting"; and

Whereas there appears in the Manufacturers' Record of February 22, 1923, the following additional statement: "At the close of the meeting, in which only one day was given to this general discussion of the most tremendous financial problem that this country had ever faced, when days and days might well have been spent in a careful analysis of the situation, the meeting was closed with the statement by Governor Harding, which we have quoted in the opening paragraph, insisting that nothing should be given out by those in attendance in regard to the discussions that had taken place; and thus the public was to be kept in dense ignorance, knowing nothing except the official statement issued by the committee, and from which the public and the press could get no information worth having as to what was being done or would be done by Federal reserve banks"; and

Whereas numerous other assertions are made in the Manufacturers' Record of February 22, 1923, indicating that the above-mentioned meeting discussed deflation in currency, restriction of credit, breaking down of prices, and higher freight rates, with a view to governing the future administration of the Federal reserve banks by adherence to such policies, and indicating that the conclusions of this meeting were reached in secret and withheld from the public: Therefore, be it

Resolved, That the President is requested to cause an investigation to be made to determine the truth of the above statements, and, if not, in his judgment, incompatible with the public interests, to report thereon to the Senate.

Mr. GOODING. I ask that the resolution be referred to the Committee on Interstate Commerce.

Mr. HARRISON. Mr. President, does not the Senator want it referred to the Committee on Banking and Currency? It is a matter that relates to the Federal Reserve Board.

Mr. GOODING. All right; then I will ask that it go to that committee.

Mr. HARRISON. I should imagine that would be the proper committee. I do not know. I have no suggestion to make.

Mr. HEFLIN. Why does the Senator ask that the President have the matter investigated? Why not have the resolution changed, so as to provide that a committee from the Senate shall be appointed by the Chair to investigate and report at the next session of Congress?

Mr. GOODING. I think that this conspiracy of May 18, 1920, is of such importance to the American people that it should have the attention of the President, and I want him to investigate it in his own way. I think the President can best investigate the conspiracy of that date, and I believe that he is going to do

it. I want to know what influence the special committee that was appointed by this meeting on May 18, 1920, had on the Interstate Commerce Commission in increasing freight rates. I want the President to find out. The country is entitled to know.

The VICE PRESIDENT. The resolution will be referred to the Committee on Banking and Currency.

Mr. GOODING. Mr. President, this resolution explains very fully to me the action of the Interstate Commerce Commission in increasing rates. I hope the President will find out how many bankers who were in that meeting are large owners of railroad stocks in America. If the country can not be protected against a conspiracy of that kind, then we have not much of a Government. If the whole country is to be wrecked and ruined by the money changers of America, then God pity this free Government of ours.

I do not know whether the commission acted on the resolution or not; but on August 26, 1920, they made a horizontal increase in all rates as they existed at that time, with one or two exceptions.

The conspiracy of the Federal Reserve Board worked better than they knew. It brought about the greatest crisis this country has ever known. It is not strange that the agricultural interests of the country, unorganized as they are, should be the first to break down; and in the last three years, taking 1919 as a basis, there has been a shrinkage in the value of farm products and farm lands of more than \$34,000,000,000.

It is quite evident that the Federal Reserve Board and the Interstate Commerce Commission understood and knew the easiest lines of resistance. By increasing railroad rates they knew they could paralyze the agricultural interests of the country and bring about the deflation so much desired, regardless of who suffered from their damnable conspiracy.

When we learn of the conspiracy of the Federal Reserve Board and the treatment that the farmers received from the Grain Corporation during the war, in which they forced the farmers of this country to produce wheat far below the actual cost of production, it is not strange that we hear the distressing stories that come from American farms all over this country to-day. Hardships and privations have been the price that the American farmer has been forced to pay for thrift and industry.

I want to offer here for the RECORD, Mr. President, a table showing the price of a bushel of wheat received by the farmers in the different States of the Union. I shall not take time to read it. I am offering it to show who pays the freight rate. In South Carolina the farmer received \$2.08 for his wheat in 1921; in Wyoming he received 79 cents; in Colorado, 76 cents; in Utah, 75 cents; in Idaho, 72 cents. The farther away he is from the market the higher the freight rate and the less the farmer receives for a bushel of wheat. I offer this table to show who pays the freight rate.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Farm prices for 1921 wheat, taken from Yearbook.

(Page 138.)

South Carolina	\$2.08
Maine	1.75
Georgia	1.75
Alabama	1.53
North Carolina	1.44
Nevada	1.80
Mississippi	1.80
Arizona	1.25
Vermont	1.25
Tennessee	1.20
West Virginia	1.17
Virginia	1.16
Kentucky	1.15
New Jersey	1.13
New York	1.08
Ohio	1.08
California	1.07
Indiana	1.06
New Mexico	1.05
Michigan	1.04
Pennsylvania	1.03
Maryland	1.03
Arkansas	1.00
Texas	1.00
Illinois	1.00
Missouri	.99
Delaware	.98
Minnesota	.97
Wisconsin	.97
Kansas	.93
Iowa	.88
South Dakota	.87
Oklahoma	.86
Washington	.86
Montana	.85
Oregon	.85
North Dakota	.85
Nebraska	.85
Wyoming	.79
Colorado	.76
Utah	.75
Idaho	.72

The great surplus comes from the West; the surplus States are as follows:

	Bushels.
Kansas	74,000,000
South Dakota	26,900,000
Oklahoma	10,200,000
Washington	36,300,000
Montana	10,700,000
Oregon	11,300,000
North Dakota	68,200,000
Nebraska	41,400,000
Wyoming	800,000
Colorado	30,000,000
Utah	400,000
Idaho	10,700,000
Nevada	400,000
Minnesota	35,300,000
Missouri	18,000,000

All other States produce a deficit, in other words, they do not produce as much as they consume.

Mr. GOODING. A simple comparison of the freight rates that the low-priced farm products pay to carry them to market with the rates that the low-priced manufactured articles pay on their market value to carry them to market shows very conclusively the injustice and the crime that was committed against agriculture when these horizontal increases were made by the Interstate Commerce Commission.

For instance, if we take the percentage of the value that goes to make up the freight rates on the low-priced farm products, such as wheat, potatoes, onions, and hay, that make up a large acreage of agriculture, and compare it with the percentage that goes to make up the freight rate on manufactured articles, such as men's suitings, men's and women's shoes, and cotton goods, we find that these low-priced farm products are paying 2,892 per cent higher rates, according to their value, than the manufactured articles that I have mentioned.

If the Interstate Commerce Commission—these experts in freight rates—had wanted to be fair and just to the agricultural interests of the country, they would not have placed the great burden upon the agricultural industry that they did when these horizontal increases were made.

Mr. President, I ask leave to have printed in the RECORD part of the President's message of December 8, 1922, in which he advocated a reduction in freight rates on farm products and the basic materials of the country, stating that he had suggested it to the railroad men of the country and the Interstate Commerce Commission, and that the Interstate Commerce Commission, together with the railroads, refused to make the reduction on the low-priced products.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

This transportation problem can not be waived aside. The demand for lowered costs on farm products and basic materials can not be ignored. Rates horizontally increased, to meet increased wage outlays during the war inflation, are not easily reduced. When some very moderate wage reductions were effected last summer there was a 10 per cent horizontal reduction in rates. I sought at that time, in a very informal way, to have the railway managers go before the Interstate Commerce Commission and agree to a heavier reduction on farm products and coal and other basic commodities and leave unchanged the freight tariffs, which a very large portion of the traffic was able to bear. Neither the managers nor the commission saw fit to adopt the suggestion, so we have the horizontal reduction too slight to be felt by the higher class cargoes and too little to benefit the heavy tonnage calling most loudly for relief.

Mr. GOODING. Mr. President, it is not strange that the majority of the Interstate Commerce Commission refused to accept the suggestions of the President for a more liberal reduction on agricultural products than the higher-priced products when we are advised that a committee of five was appointed at the meeting of the Federal Reserve Board on May 18, 1920, urging an increase in freight rates.

I find, however, that five members of the Interstate Commerce Commission were willing to place the entire reduction of 10 per cent that was made at that time on farm products and the basic materials of the country, letting the higher-class, higher-priced products carry a heavier burden in freight rates. In justice to five members of the commission, I think I ought to say that.

Mr. President, I am going to review briefly the increases made under the Federal control act passed March 21, 1918, also the increases made by the Interstate Commerce Commission under the act passed February 28, 1920, known as the Esch-Cummins Act.

On March 21, 1918, the Federal control act was approved, and under that act the Director General of Railroads, Mr. McAdoo, on June 25, 1918, ordered a 25 per cent horizontal increase on all railroads in the United States, regardless of how long the haul or how high the rate, with one or two slight modifications, and without any regard as to what the products would bear to carry them to market. It was a war measure, however, and some excuses can possibly be made for the horizontal increases that were made at that time.

During the period of Federal control it was agreed that the Government should pay for the use of the railroads the average yearly earnings of the railroads for the three years previous to Government control, which was claimed by the railroads to be \$906,500,000. The three years previous to Government control were the most prosperous years in the history of the railroads of this country.

Under Federal control the railroads fell far short of earning this amount, so that for 1918 the Government was forced to pay \$216,000,000 out of the Treasury to the railroads to make up the deficiency. In 1919 the Government paid out of the Treasury to the railroads \$390,000,000, and for the first two months of 1920, \$108,000,000. The total amount paid to the railroads under Government control to make the earnings of the roads equal the test period before the war was \$715,000,000.

The Federal control of our railroads terminated March 1, 1920, and on February 20, 1920, the transportation act known as the Esch-Cummins Act was approved. That act guaranteed to the railroads the same annual rate of return for six months, beginning with March 1, 1920, as the earnings of the railroads shown in the test period before Federal control.

It is estimated that the Government will be forced to pay to the railroads \$536,000,000 to make up the deficiency in the earnings of the railroads for those six months.

Subdivision 2 of section 15-a of the Esch-Cummins act makes it mandatory upon the Interstate Commerce Commission to fix rates that will, after paying the cost of operation, earn an amount equal to a fair return on the aggregate value of the railway property as a whole or in different groups.

The language of subdivision 2, section 15-a, is as follows:

In the exercise of its power to prescribe just and reasonable rates the commission shall initiate, modify, establish, or adjust such rates so that the carriers as a whole (or as a whole in each of the rate groups or territories as the commission may from time to time designate) will, under honest, efficient, and economical management and reasonable expenditure for maintenance of way, structures, and equipment, earn an aggregate annual net railway operating income equal as nearly as may be to a fair return upon the aggregate value of the railway property of such carriers held for and used in the service of transportation: *Provided*, That the commission shall have reasonable latitude to modify or adjust any particular rate which it may find to be unjust or unreasonable and to prescribe different rates for different sections of the country.

Subdivision 3 of the same act places the duty on the commission of determining what is a fair rate of return, and denies the commission the right to fix the fair rate of return at less than 5½ per cent, permitting discretionary power to add on one-half of 1 per cent for improvements and betterments for the two years beginning March 1, 1920. The exact wording of subdivision 3 is as follows:

The commission shall from time to time determine and make public what percentage of such aggregate property value constitutes a fair return thereon, and such percentage shall be uniform for all rate groups or territories which may be designated by the commission. In making such determination it shall give due consideration, among other things, to the transportation needs of the country and the necessity under honest, efficient, and economical management of existing transportation: *Provided*, That during the two years beginning March 1, 1920, the commission shall take as such fair return a sum equal to 5½ per cent of such aggregate value, but may, in its discretion, add thereto a sum not exceeding one-half of 1 per cent of such aggregate value to make provision, in whole or in part, for improvements, betterments, or equipment which, according to the accounting system prescribed by the commission, are chargeable to capital account.

Subdivision 4 of the same act charges the commission with the duty of determining the value of the railway property. Subdivision 4 reads as follows:

For the purpose of this section such aggregate value of the property of the carriers shall be determined by the commission from time to time and as often as may be necessary. The commission may utilize the results of its investigation under section 19a of this act, in so far as deemed by it available, and shall give due consideration to all elements of value recognized by the law of the land for rate-making purposes, and shall give to the property investment account of the carriers only that consideration which under the law it is entitled to in establishing values for rate-making purposes. Whenever pursuant to section 19a of this act the value of the railway property of any carrier held for and used in the service of transportation has been finally ascertained, the value so ascertained shall be deemed by the commission to be the value thereof for the purpose of determining such aggregate value.

In obedience to the dictates of that section the Interstate Commerce Commission entered upon a hearing and fixed the aggregate value of the properties for rate-making purposes as follows:

For the eastern group of railroads.....	\$8,800,000,000
For the southern group of railroads.....	2,000,000,000
For the western group of railroads.....	8,100,000,000
Total.....	18,900,000,000

Then, realizing that some railroads might earn more than others, a brake was applied to those roads by the insertion of the recapture provision, providing that one-half of the return of any railroad in excess of 6 per cent should be paid into a contingent fund for the purpose of making loans to other railroads.

The value taken by the Interstate Commerce Commission was largely based on the book values of the railroads. It is true

that the amount fixed was less than the amount claimed by the railroads, but there is nothing to indicate the correctness of the valuation, for the valuation department of the Government has not finished its work of finding the value of the railroad properties in the United States.

In fixing rates that would earn a return of 5½ per cent, plus one-half of 1 per cent for improvements and betterments and equipment, the Interstate Commerce Commission, on August 26, 1920, increased the rates by horizontal increases on all railroads in the United States, as follows.

	Per cent.
For the eastern group of railroads.....	40
For the western group of railroads.....	35
For the southern group of railroads.....	25
For the Mountain Pacific group.....	25
From one group to another.....	33½

On July 1, 1920, a reduction of 10 per cent was made in and between all of the groups, effective January 1, 1922. Rates on grain products and hay throughout the western and Mountain Pacific groups were reduced approximately as follows: On wheat, hay, and other grain products, 13 per cent; on corn, rye, oats, and barley, 20 per cent.

In October, 1921, rates on live stock throughout the western and Mountain Pacific groups in excess of 50 cents were reduced 20 per cent. These constitute the principal rate reductions.

Taking all of the increases and reductions made by the Interstate Commerce Commission since 1913 into consideration, and calling the rates of 1913 100 per cent, the rates to-day are as follows:

Eastern group, 190 per cent; southern group, 141 per cent; western group, 152 per cent; Mountain Pacific group, 141 per cent; from one group to another, 149 per cent. Notwithstanding the fact that the eastern group rates were increased a greater per cent than the other groups, the rates of the West are still much higher than the rates of the East and the South. This is accounted for by the fact that the rates for the western group of railroads, especially the Mountain Pacific group, were very much higher originally than on any other railroads in the United States.

For the year 1921 the average revenue per ton-mile for the eastern roads was 12.43 mills; for the South, 10.81 mills; for the West, 14.22 mills per ton-mile.

In other words, the rate per ton-mile in the western group is 14.4 per cent higher than in the eastern group, and is 31.5 per cent higher than in the southern group.

It will be recalled that subsection 3 of the Esch-Cummins law fixed the fair rate of return at 5½ per cent, plus one-half of 1 per cent for improvements, betterments, and equipment, for a period of two years, beginning March 1, 1920.

May 16, 1922, the Interstate Commerce Commission fixed a rate of 5½ per cent of the aggregate value of all properties as a fair return effective on and after March 1, 1922.

And so our railroads are being operated to-day under the Esch-Cummins law with the interest earnings fixed at 5½ per cent, based on the valuation of \$18,900,000,000 and, as I analyze the railroads, very few of them are having any trouble to earn 5½ per cent, and some of them are earning more than twice that amount.

Taking the year 1913 as a normal year on our railroad systems, and comparing it with 1921, a year after the Esch-Cummins law was passed, I shall have no trouble in showing that the railroads are in a prosperous condition to-day under a reckless expenditure of money that, in my judgment, is nothing less than criminal.

Mr. President, the Nation's freight bill has nearly doubled since 1913. The freight revenue for 1913 and 1921 is as follows:

1913.....	\$2,140,083,394
1921.....	3,911,204,509

Increase.....	1,771,121,115
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which is an increase of 83.5 per cent.

There was only a very slight increase in the tonnage. The ton-miles increased as follows:

Ton-miles in 1913.....	297,722,528,693
Ton-miles in 1921.....	806,736,765,622

Increase.....	9,014,236,929
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which is an increase of only 3 per cent.

Railroad officials will tell you that the expense of a railroad is largely measured by train-miles; that it is the train-miles that make the expense.

A comparison of freight train-miles shows that there were not nearly as many train-miles in 1921 as in 1913:

Freight train-miles in 1913.....	628,319,136
Freight train-miles in 1921.....	510,290,560

Decrease.....	118,028,576
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or a decrease of 18.8 per cent.

In other words, the people were called on to pay 83.5 per cent more revenue for 3 per cent additional ton-miles, which was performed by 18.8 per cent less freight train-miles.

The decrease in freight train-miles was brought about in two ways: First, by cooperation on the part of the people by heavier loading per car; second, by handling more cars per train-mile.

The cost to the people, measured by the ton-mile rate, is as follows:

	Mills per ton-mile.
1913.....	7. 19
1921.....	12. 75
Increase.....	5. 56

The empty-car movement per train-mile has considerably increased:

	Empty cars per train-mile.
1913.....	9. 59
1921.....	14. 22
Increase.....	4. 63

which is an increase of 48 per cent.

This reflects the unsettled condition of the country and shows the lack of purchasing power on the part of the farmers. They move their goods to market and have no money with which to buy. A reduction in rates would stimulate the loading both ways and would increase the revenue without corresponding increase in the expense.

The increased cost of passenger traffic is shown in the following figures:

1913.....	\$678, 966, 749
1921.....	1, 151, 771, 045
Increase.....	472, 804, 296

It cost the people 70 per cent more in 1921 to travel on our railroads than in 1913.

There was a slight increase in the passenger miles, as follows:

1913.....	33, 875, 085, 958
1921.....	37, 312, 585, 966
Increase.....	3, 437, 500, 008

or an increase in the passenger miles of only 10 per cent.

The passenger-train miles, like the freight miles, decreased:

1913.....	572, 503, 969
1921.....	554, 799, 797
Decrease.....	17, 704, 172

or a decrease of 3 per cent.

The increase in the passenger revenue is a net gain to the railroad, for the reason that passenger trains, unlike freight trains, run on regular schedules, whether there is anyone to ride on them or not, while freight trains move only when there is sufficient tonnage.

Mr. President, the importance of agriculture to the great railroads of this country is clearly shown in the number of tons of agricultural products shipped over our railroads in 1913 as compared with 1921, and the number of tons shipped by other great industries of the country in 1913 and 1921.

The farmers of the country produce what we call a vital necessity of life. Most of the other industries are producing what might be called a deferred necessity. In other words, for a time we can defer the use of mine products and the products of the forest; and when there is an overproduction our manufacturers can close down, and they do close down, and public opinion sustains them in closing their factories. But that is not so with the farmer. He must go on, regardless of what his products bring on the market. The lower the price of farm products, the more he must produce in order to keep the wolf from the door; but unless the country treats him with more of a spirit of fairness in the future than it has in the past, especially as far as freight rates are concerned, he will be forced to limit his production and let the wolf wait at some other man's door.

These figures show the amount of different classes of freight transported in 1913 and 1921 and tell a most wonderful story. They show how vital the agricultural industry of the country is to the railroads themselves.

The number of tons hauled by the railroads in 1913 and in 1921 is as follows:

	1913	1921
	Tons	Tons
Products of agriculture.....	203, 203, 192	222, 678, 348
Products of animals.....	42, 261, 263	41, 777, 754
Products of mines.....	1, 099, 867, 548	878, 224, 636
Products of forests.....	203, 615, 494	148, 042, 893
Products of manufacture.....	506, 087, 990	400, 039, 094

Mr. President, I have had time to examine into the affairs of but a few of our railroads, but from the few I have examined I am satisfied that the people by rights own a large interest in our railroads to-day upon which they are now asked to pay an interest charge of 5½ per cent under the Esch-Cummins law.

For instance, examination into the affairs of the Union Pacific system, which is one of the greatest railroads in the United States to-day, shows that practically all of the great development on that system, such as double tracking, building new roads and equipment, has been made out of the earnings of the road after paying interest on their funded debt and dividends to their stockholders.

I find on examination of the three roads, the Union Pacific Railroad, the Oregon-Washington Navigation Co., and the Oregon Short Line, which make up the Union Pacific system, that the amount of the stocks and bonds on June 30, 1902, was \$451,752,965, and on December 31, 1921, the total amount of capital stocks and bonds outstanding was \$701,502,130. The capital stock increased in the last 20 years \$118,181,635, and bonds outstanding increased \$131,567,530, or a total increase in stocks and bonds of \$249,749,165.

During the same time their investments in outside securities increased from \$141,494,986 in 1902 to \$301,075,047 in 1921, an increase of \$159,580,061 in 20 years; and their book value of road and equipment increased from \$355,029,493 in 1902 to \$653,962,537 in 1921, an increase in the book value of road and equipment of \$298,933,044 in 20 years, making a total increase in outside securities and investment in road equipment of \$458,513,105.

Now compare this increase in investment of \$458,513,105 with the increase in stocks and bonds during the same time of \$249,749,165. It shows that there was a greater increase of \$208,763,940 in the investment than in stocks and bonds. This undoubtedly came from the earnings of the company.

Nor was this all. During the same 20 years the road paid \$501,180,713 in dividends, and during the same 20 years, 1902-1921, inclusive, the company set up a surplus above dividends and fixed charges of \$216,301,818.

Now if we compare the increase in the stocks and bonds of \$249,749,065 with the accumulated surplus account during the same period of \$216,301,818, we find a difference of only \$33,447,347, which may be designated as new money invested in the Union Pacific system in the last 20 years.

The book value of the Union Pacific system on December 31, 1921, is shown to be \$653,962,537, and the road during the past 20 years set up out of earnings a surplus account above dividends and fixed charges of \$216,301,818. In other words, the people contributed \$216,301,818 toward the \$653,962,537 to build the Union Pacific system, upon which the company now asks the people to pay an interest charge of 5½ per cent. By every right this \$216,301,818 should be deducted from the value of the Union Pacific system and the people only required to pay a rate on \$437,660,719, instead of \$653,962,537, as claimed by the Union Pacific system. This same system of building the road out of the earnings has been carried on ever since the road was constructed and I am satisfied that if an investigation was made and the water squeezed out of the book value the people of the West would have freight rates that would permit the West to develop.

I have also learned that stock was sold to favored stockholders at less than market price. I have not been able to find out just what amount of stock was sold, or the price for which it was sold, but I understand that it was sold at a price considerably less than the market price. The difference between what the stock was sold for to the favored stockholders and the market price may be sufficient to wipe out the new money figure of \$33,447,247.

A large part of the Union Pacific system 25 or 30 years ago was little better than a cow trail. To-day it is one of the greatest roads in this country. All the heavy grades have been eliminated. Practically every mile of the Union Pacific has been double-tracked. The Oregon Short Line has been developed and improved and part of it double-tracked. It is a first-class system in every respect.

The same can be said of the Oregon-Washington Navigation Co. It is on this road that new branches have been built of very expensive and difficult construction. On the Union Pacific system in the last 20 years 1,931 miles of new road have been constructed and equipped. All of this wonderful development has been done out of the earnings of the system after paying at times excessive dividends, and the interest charge on their indebtedness, with the exception of \$33,447,347 of new money, as to the existence of which there is much doubt. I have no doubt that an investigation would show that this method has been practiced by all railroads.

Mr. President, I am satisfied that if the Senators who voted for the Esch-Cummins law would take time to investigate the administration of our railroads under that law they would be forced to the same conclusion that I have reached—that the Esch-Cummins law, under the reckless and extravagant administration of our railroads, was a most serious mistake.

In 1913 there were 1,746,092 men employed on the railroads, and in 1921 there were 1,622,758 employed, a decrease of 123,334 men. During that time there was a decrease of 18.8 per cent in the freight-train miles and a decrease of 3 per cent in the passenger-train miles.

With all these reductions in train miles and passenger miles, and a reduction of 123,334 employees, I find that in 1913 it required 12,928 general and division officers to administer our railroads, and that in 1921 it required 21,763 general and division officers to administer our railroads, an increase of 8,835 over 1913. The salaries of these officers in 1913 were \$39,869,656, and in 1921 their salaries were \$86,026,886, or an increase of \$46,157,230.

The operating revenues and expenses of the railroads in the United States were as follows:

	1913	1921
Operating revenues.....	\$3,108,361,215	\$5,516,556,455
Operating expenses.....	2,173,463,563	4,562,668,302
Net revenue.....	934,897,653	943,888,153

The railroads in 1921 made a greater net earning than in 1913 by \$8,990,501.

During the same time there was a decrease in the train miles, both freight and passenger, and a decrease of 123,334 employees, and an increase of 8,835 officers, and an increase in officers' compensation of \$46,157,230.

Taking the increase of \$8,990,501 and cutting out the extravagant increase of \$46,157,230 for the management of the roads, it would make the net revenues for 1921 \$55,147,731 greater than in 1913.

The extravagance and waste undoubtedly run all through the operation of the roads. If this waste was cut out the rates could be reduced and the railroads would be in a very prosperous condition to-day. I am satisfied from my investigation that the railroads of this country are in a prosperous condition to-day, or would be if they would give their roads an honest and economical management. The cry of "wolf" is only to divert the people's attention from the real, true condition of our railroads. Some day the people will discover that there is no "wolf," and that the managers and officers of the railroads themselves are the real "wolves."

Mr. President, I have tried very hard to find some reasonable excuse for the remarkable increase in the number of officers on the railroads of the United States, but nowhere have I been able to find the slightest reason or excuse for the increase.

It is far from me to want to do any injustice to the men who direct the affairs of the great railroad systems of America, and if any Senator can shed any light on this tremendous increase I have shown I shall be more than gratified to hear it.

If there is any difference in the operation of our railroads to-day than in 1913 I am unable to find it. The only difference that I find in the railroad situation to-day as compared with that of 1913 is that for two years our railroads were under Government control, and that to-day the railroads are operating under the Esch-Cummins Act, with a fixed earning interest charge of 5½ per cent, based on a valuation of \$18,900,000,000, and now we have an income tax that some corporations have not accepted in a very fair spirit.

It makes but little difference to me whether the increased number of officers are actually employed on the railroads or whether they are dummies set up to show an increase in the operation of the roads. If they are actually in existence, then I want to say that it is an unwarranted extravagance and is criminal in its nature.

Mr. President, I have never been in favor of Government ownership of railroads in this country, and I hope the time will never come when I will be forced to change my position on that great question; but the selfishness and reckless and extravagant management of our railroads to-day may force many people in this country to change their position on Government ownership and operation of railroads.

An article in the Literary Digest, under the headline "Are our railroad presidents worth their salaries," says that "five railroad executives, the first, second, third, fourth, and seventh highest paid in the United States, with offices in New York City, receive salaries, according to the Interstate Commerce Commission, aggregating \$427,674, an average of \$84,934."

With an increase of 8,835 officers of our railroads in 1921 over 1913, it seems to me that the work of these great generals should have been made so much lighter that their salaries might have been decreased instead of increased.

Mr. President, I have but little regard for the man in this country who is not willing to give our railroads a fair return on their investment. The man who is not willing to do that is an undesirable citizen and should be branded as an anarchist. We have had a few such citizens, but not many. They are harmless, however, in any country so long as there is honesty in what is called the upper strata of life.

But when greed becomes so common in a country that men who occupy high positions in its business affairs can so far forget themselves that for any purpose they permit such conditions to exist as are shown to exist by the reports which I have received from the accounting department of the Interstate Commerce Commission in the management of their roads there is grave danger some day, unless this selfishness is curbed, that this country may suffer the same fate of other countries where selfishness and greed have created anarchy and together have broken down and destroyed one government after another as far back as authentic history tells the story of the rise and fall of civilizations.

SECTION 4 OF INTERSTATE COMMERCE ACT.

The resolution (S. Res. 472) submitted this day by Mr. GOODING, was considered by the Senate and agreed to, as follows:

Resolved, That the Interstate Commerce Commission is directed to investigate and report to the Senate the following information relating to the administration of section 4 of the interstate commerce act:

(a) The number of applications in special cases for relief from the operation of such section, filed with the commission, granted by the commission, granted by the commission after investigation including hearing, denied by the commission, or denied by the commission after investigation including hearing, for each of the following periods: The period between the amendment of the interstate commerce act on June 29, 1906, and its amendment on June 18, 1910, the period between such amendment on June 18, 1910, and the enactment of the transportation act, 1920, and the period since the enactment of the transportation act, 1920;

(b) The number of such applications granted since the date of the enactment of the transportation act, 1920, in order to meet rail competition, and the number granted since such date in order to meet water competition;

(c) The number of such applications granted since the date of the enactment of the transportation act, 1920, in which proof was presented satisfactory to the commission that the rate applied for would be reasonably compensatory for service performed, and the number of such applications granted since such date in order to meet water competition in which proof was presented satisfactory to the commission that the water competition was actual and not merely potential;

(d) The names of the railroads that have made such applications, the purposes intended to be accomplished and actually accomplished, in the opinion of the commission, by the filing and granting of such applications, and the effect of such applications on other railroads;

(e) The localities that have been most interested in having the railroads make such applications, and what pressure such localities have brought upon the railroads and other localities in order to obtain the filing of such applications; and

(f) The number of cases of increases of rates previously reduced in order to meet competition from a water route, and the number of such cases in which there was presented proof satisfactory to the commission that such increase rested upon changed conditions other than the elimination of the water competition.

APPENDIX.

[From the Manufacturers Record, February 22, 1923.]

AN AMAZING REVELATION OF SECRET FINANCIAL MEETING—ON MAY 18, 1920, FEDERAL RESERVE MEETING IN WASHINGTON DISCUSSED DEFLATION, RESTRICTION OF CREDIT, BREAKING DOWN OF PRICES, AND HIGHER FREIGHT RATES, BUT GOVERNOR HARDING WARNED THOSE PRESENT NOT TO DIVULGE THE DISCUSSIONS OF THE DAY—THE INSIDE STORY REVEALED BY A STENOGRAPHIC REPORT OBTAINED BY THE MANUFACTURERS RECORD.

"After one of the most fateful meetings in the financial history of the world, a meeting which no other organization, including the Interstate Commerce Commission or the Supreme Court of the United States, would ever have dared to hold in secret and reach its conclusions in secret and withhold its conclusions from the public, Governor Harding, of the Federal Reserve Board, in closing that meeting of the Federal Re-

serve Board, the Federal Advisory Council, and the class A directors of Federal reserve banks, said: 'I would suggest, gentlemen, that you be careful not to give out anything about any discussion of discount rates. That is one thing there ought not to be any previous discussion about, because it disturbs everybody, and if people think rates are going to be advanced there will be an immediate rush to get into the banks before the rates are put up, and the policy of the reserve board is that that is one thing we never discuss with a newspaper man. If he comes in and wants to know if the board has considered any rates or is likely to do anything about rates, some remark is made about the weather or something else and we tell him we can not discuss rates at all. And I think we are all agreed it would be very ill advised to give out any impression that any general overhauling of rates was discussed at this conference. We have discussed the general credit situation and your committee, which has been appointed with plenary powers, will prepare a statement which will be given out to the press to-morrow morning and we will all see what it is. You can go back to your banks and of course tell your fellow directors as frankly as you choose what has happened here to-day, but caution them to avoid any premature discussion of rates as such. We have had an exceedingly interesting day, gentlemen. The suggestions which have been made have been valuable and we have profited by your views. I wish to express on behalf of the board our appreciation of your coming here and to thank you for the unselfish and loyal interest you have taken in the Federal bank situation throughout the country in giving this matter the careful thought and consideration that you have. And I am sure that the spirit which has manifested itself at this meeting here to-day will spread throughout all the country, to the member and nonmember banks, and if it does we can look the future in the face with courage and confidence.'

"These closing words of a fateful conference, it can be conservatively said, are the most damning indictment of the management of the Federal reserve system which could be penned by the worst enemies of that organization. The Manufacturers Record has shown since shortly after that meeting was held some of its decisions, but it has never until within the last few days been able to get hold of a stenographic copy of the minutes. But with this stenographic report we are now able to give to our readers some details regarding that meeting which strengthened and confirmed the work of deflation which had already been inaugurated. After a long conference and full discussion, covering 37 pages of foolscap, closely typewritten, the statement that Governor Harding closed the meeting with was emphatic warning to those in attendance that the deliberations of that meeting should be held as strictly confidential except to fellow directors and that the public should not be allowed to know what had taken place and the newspapers should know only so much of the meeting as the carefully prepared statement would present.

"As far back as July 3, 1919, the Manufacturers Record warned the Federal Reserve Board against some of the actions that were then being taken, and said:

"Not for a moment would we suggest that the members of the Federal Reserve Board were in any way financially interested in the stock market, but we can readily understand the limitless power of stock speculation and the manipulation of the stock market which would be available to anyone who knew a few hours in advance of such proposed action by the Reserve Board. It is entirely within the power of that board to break the stock or the cotton market or to bring about a big boom movement in cotton or stocks. The power is too great to rest in the hands of any seven men, even if they were angelic in character, for they might be succeeded by those who were not so angelic."

"That editorial emphasized the control which big financial interests had held over the stock market to break it when it suited their convenience to buy in stock or to boom it when it suited their convenience to unload stocks, and we added: 'It was hoped that the organization of the Federal Reserve Board would make this impossible; but the recent action of the board resulted in a very rapid break in the stock market, and it is within the power of the board to bring about a rapid advance whenever there is a change of policy and prevent the calling of loans or the sharp advance in money.'

"In that editorial we quoted from the Boston News Bureau a very sharp arraignment of some of the methods of the Federal Reserve Board and closed with the statement from the news bureau:

"Before the Federal reserve system a money squeeze was one of the tricks of the trade to frighten the public out of their stocks. Are the administrators of the Federal reserve system going to countenance the same old game by allowing the people

who have the control of money to play with values on a discount basis, arresting advancement and prosperity?'

"When two years ago the Manufacturers Record urged that every important meeting of the Federal Reserve Board should be held in the open, with the right of the public to know what was taking place, so that no secret acts should be passed giving to the insiders limitless possibilities for money-making, we knew that we had thrown a bombshell into the camp of secrecy, but we did not at that time know that Governor Harding had so specifically and emphatically urged that that conference should regard its whole discussion as secret and to be withheld from the newspapers and from the public at large. The human mind is somewhat staggered as it tries to outline the limitless possibilities for money-making on the part of every man who, having this secret information, knew exactly what would happen in the business world long in advance of what the general business public could even suspect, even if no man ever used this information to his own individual profit. This conference, the closing statement of which we have quoted, was held on May 18, 1920. Those in attendance were as follows:

"Hon. Adolph C. Miller, member of the Federal Reserve Board.

"Hon. Henry A. Mohlenpah, member of the Federal Reserve Board.

"Hon. John Skelton Williams, Comptroller of the Currency and member ex officio of the Federal Reserve Board.

"Hon. David F. Houston, Secretary of the Treasury and member ex officio of the Federal Reserve Board.

"George L. Harrison, counsel, Federal Reserve Board.

"Also the members of the Federal advisory council:

"Philip Stockton, Federal reserve district No. 1.

"A. B. Hepburn, Federal reserve district No. 2.

"L. L. Rue, Federal reserve district No. 3.

"W. S. Rowe, Federal reserve board No. 4.

"J. G. Brown, Federal reserve district No. 5.

"Oscar Wells, Federal reserve district No. 6.

"James B. Forgan, Federal reserve district No. 7.

"F. O. Watts, Federal reserve district No. 8.

"E. F. Swinney, Federal reserve district No. 10.

"R. L. Ball, Federal reserve district No. 11.

"A. L. Mills, Federal reserve district No. 12.

"J. H. Puelicher, Marshall & Ilsley Bank, Milwaukee, Wis.

"John Perrin, chairman of the board and Federal reserve agent, Federal Reserve Bank of San Francisco.

"Hon. Edmund Platt, chairman of the Banking and Currency Committee, House of Representatives.

"Also the following class A directors of the Federal reserve banks:

"Boston: Thomas Beal, Edward S. Kennard, and Frederick S. Chamberlain.

"New York: James A. Alexander, R. H. Treman, Charles Smith, and J. H. Slisson.

"Philadelphia: Joseph Wayne, jr., M. J. Murphy, and Francis Douglas.

"Cleveland: O. N. Sams, Robert Wardrop, and Chess Lambertson.

"Richmond: John F. Bruton, Charles E. Rieman, and Edwin Mann.

"Atlanta: J. K. Ottley, Oscar Newton, P. R. Kittles, and W. H. Kettig.

"Chicago: George M. Reynolds, Charles H. McNider, and E. L. Johnson.

"St. Louis: J. C. Utterback and Sam A. Ziegler.

"Minneapolis: Wesley C. McDowell and E. W. Decker.

"Kansas City: J. C. Mitchell, C. E. Burham, and W. J. Bailey.

"Dallas: John T. Scott, E. K. Smith, and B. A. McKinney.

"San Francisco: C. K. McIntosh, J. E. Fishburn, and M. A. Buchan.

DOOM OF COUNTRY'S BUSINESS INTERESTS SOUNDED AT CONFERENCE COMPOSED EXCLUSIVELY OF BANKERS.

"It will be noted that those in attendance were preeminently bankers and that business men as such were not there, though the business men and not the bankers are the ones who create the business of the country, whether in agriculture, manufacture, or other lines of industry. Their doom was being settled in a conference composed exclusively of bankers.

"In opening the proceedings Governor Harding, referring to those in attendance, said:

"The class A directors are the banker members of the boards of directors of the Federal reserve banks. They are not only directors, and as a rule very influential directors, of Federal reserve banks but they are officials of member banks, and thus they see both sides of the picture. So it seems to be

peculiarly appropriate at a time when there is a banking situation to discuss to have bankers here to discuss it."

"It is true that it might have been important to have bankers there to discuss the subjects up for consideration that day, but it is not also true that the manufacturers, the merchants, the farmers, and all others representing the producing and transportation interests of the country were just as vitally interested in a conference of this kind as those who were exclusively engaged in banking? In a rather lengthy opening speech Governor Harding said:

"Every effort should be made to stimulate necessary production, especially of food products, and to avoid waste."

"And having encouraged the farmers to the utmost extent during the spring of 1920 to carry forward their farming operations despite the high wages that were being paid labor drastic deflation was put into effect, breaking down the prices of farm products to an extent that literally bankrupted hundreds of thousands of farmers."

"We can," said Governor Harding, "restrict credit and expand production, letting the expansion of production proceed at a greater rate than the restriction of credit, and we are then working along in the right direction."

"No human being has yet found a way to restrict the credit facilities essential for increasing production and at the same time bring about increased production. That statement is so rankly absurd on its face that it is an amazing thing that any man professing to be either a banker or a political economist could presume to suggest that restriction of credit and expansion of production could go hand in hand."

"It is in striking contrast with the statement quoted from Hon. Reginald McKenna, formerly Chancellor of the Exchequer of Great Britain and one of the world's great banking authorities, given elsewhere in this issue, in which Mr. McKenna said: 'The continuance of a high rate or the adoption of any other method for the purpose of forcing down prices is bound to strangle trade and reduce output. We must not interfere with the natural flow of trade by any restriction of existing producing power but must seek a general increase of wealth through a more abundant output.'"

"And as that day's meeting was devoted to a discussion of how to increase interest rates in order to lessen the volume of business, it is interesting to quote from a statement made by Comptroller Crissinger, recently nominated as governor of the Federal Reserve Board, in which he said: 'Falling prices and high interest rates are never twin sisters of prosperity. I can not too emphatically say that I do not believe deflation in currency and credits can go hand in hand with a régime of high interest rates without imposing great and dangerous hardships upon the people.'"

"It is very clear," said Governor Harding, "that if we find it impossible under the present circumstances to increase the volume of production of the most essential articles, the only thing for us to do is to reduce consumption of those articles." In other words, here was a definite plan to break down business and lessen consumption at a time when the American people and the world at large were buying freely of everything that could be produced."

"This plan of forcing down prices and breaking down business had been secretly inaugurated long before the meeting whose records we now have before us and from which we have been quoting, for on February 12, 1920, the Manufacturers Record published an extract from a letter from one of the foremost bankers of the country, in the course of which, criticising this paper because we had denounced the efforts of banks through the pressure of the Federal reserve system to call all loans on Government bonds, he said:

"You can further see that if by any pressure these bonds can be turned out of the Federal reserve banks and passed over to the strong boxes of great institutions—savings banks, life-insurance companies, large estates, benevolent and philanthropic institutions—just to that extent the 12 banks would be in a position to extend additional facilities to merchants and business men generally. Of course it seems hard that anyone who for patriotic purposes should have invested in Government bonds should be practically called upon to part with, say, a loss of from 8 to 9 per cent, but facts are stubborn things and conditions more important than theories."

"That same banker wrote us that he would not lend money on any collateral of any kind, it mattered not how good it might be, and that there was too much business in the country and it should be brought down to normal conditions."

"That was the spirit which was being inculcated by the then management of the Federal reserve system. Stripped of all its useless verbiage, the meeting of May 18 was largely devoted to the discussion of how to lessen the activity which was pre-

vailing throughout the country and bring on deflation of business and of credits. Governor Harding said: 'We should be careful, however, not to overdo this matter of liquidation, because too drastic a policy of deflation, which might result in crowding to the wall and throwing into bankruptcy legitimate enterprises, however unessential their operations may be, would have a tremendously bad effect and would defeat the purpose of the very policy which we are trying to have established.' He added 'A sensible and gradual liquidation will result in permanent improvement, as we all know, but any attempt at radical or drastic deflation, merely for the sake of deflation, will result in very serious consequences, and such a policy should be avoided.'"

"But drastic deflation is exactly what took place. Some of the men who went from that meeting went with the impression, and said so, that a policy of deflation and the breaking down of prices could be put into effect and that the Federal reserve management would have the power to stop this deflation and price breaking at any point when it might decide that it had gone far enough, not having financial ability sufficient to comprehend the fact that when they started business on the toboggan slide they would not be able to stop it until it collapsed at the bottom. Every man of ordinary intelligence ought to have been able to see the inevitable result of the policies discussed and outlined in that campaign."

"Over and over again during the process of deflation it was stated by Governor Harding and others that the banks of the country were guilty of misleading, even to the extent of practically lying to their customers by declining to make loans, alleging the opposition of the Federal Reserve Board, but in Governor Harding's speech he said: 'The directors of the Federal reserve banks are clearly within their rights when they say to any member bank, "You have gone far enough; we are familiar with your condition; you have got more than your share and we want you to reduce. We can not let you have any more." They must exercise their discretion as to the proper course to pursue but they have the power and there are many cases where the rule ought to be laid down and a member bank ought to be made to understand that it can not use the resources of the Federal reserve banks for its own private advantage for profit.'"

"At the close of his address Mr. Hepburn asked if any arrangement had been made to place Governor Harding's opening remarks before the public and to this Governor Harding said: 'I have a synopsis prepared which was given to the press on yesterday for release to-morrow morning. It is rather more abridged than the statement I made this morning, but it is the substance of it.'"

"It is interesting to take this statement in connection with Governor Harding's closing remark at the end of the convention which we have already quoted and in which he insisted that the discussion of the meeting should not be given to the press or to the people and the only thing which should be given to the press would be a summary prepared by the committee."

"Thus neither the press nor the public ever had any real information on what took place at that meeting."

TRIFLING DISCUSSION BY FIRST DISTRICT OFFICIALS.

"After closing his address the meeting was opened by Governor Harding with an invitation to those in attendance to make reports as to conditions in their communities and in the Federal reserve banks with which they were connected. Mr. Thomas Beal, of the Federal Reserve Bank of Boston, said: 'We seem to have been able to have had some liquidation in our district.'"

"And the public knew only too well that there has been a great deal of liquidation due to drastic deflation, not only in Boston but elsewhere."

"Mr. Chamberlain, of the Boston bank, had nothing to say, but added, 'I am the baby director on the board and Mr. Beal is our spokesman.'"

"Mr. Kennard, of the same bank, said: 'I am a group 3 director of the first Federal district, and I want to say that we have a very healthy looking baby.'"

"But whether he was referring to the bank as a healthy looking baby or to Mr. Chamberlain as the baby director we have no means of knowing, but the public can probably gain some light from the trifling discussion of the healthy looking baby and baby director from men who were facing one of the greatest financial problems that the world has ever had to meet. It was a time which called for real men, men who could think and who could say and did not plead the baby act or newness. However, Mr. Kennard, continuing, said, 'I also think that the rates for money should continue on a high level, with the hope of causing liquidation in commodities. Of course, liquidation would result in low prices and the easing up of business. I do not think this body should encourage any dras-

tice measures of readjustment. I think the deflation should be gradual, and I think we should give more care to the commercial paper that is rediscounted at the Federal reserve banks.'

"That Mr. Kennard or anyone else has found out how high rates of money shall be forced upon a country without producing drastic liquidation in place of gradual deflation he will have discovered something that no other human being has yet been able to discover. Mr. Kennard emphasized the congestion of the transportation facilities and the fact that the warehouses were congested because they did not have the shipping facilities, and this thought runs through a great many of the discussions of that day, and yet without shipping facilities merchants and manufacturers were told that they must ship their stuff in order to liquidate their accounts.

NEW YORK BANKERS FAVORED CURTAILMENT OF EXPANSION WHEREVER POSSIBLE.

"Mr. James A. Alexander, of New York, said, 'We find today, I think, a hesitation in business. Large users of credit are inquiring as to what the future has in store for them. I think now is the logical time to deal with this question, perhaps the best time that has occurred up to now, to bring this credit situation home to the users of credit. Although while this hesitation is on they will get some loans, prices are being reduced, but nevertheless, unless there is a very substantial contraction and a very definite and positive announcement made in some way, the users of credit in the country may become more hopeful again that the situation is not one to be feared, and they will feel justified in going ahead and making very substantial and large commitments for the future.'

"Following this, Mr. Alexander suggested that the discount rate should be raised, 'not to 6½ or 6¾ per cent but to 7 per cent on commercial paper.' In reply to a question from Governor Harding as to whether the raise in rate would penalize anybody who could not liquidate on account of transportation facilities, Mr. Alexander said: 'I am afraid somebody is bound to be penalized in order to bring about "production." A percentage of 1 per cent is not a very heavy penalty in the way of an interest charge, but it is a very positive announcement that the credit situation is such that further expansion must be prevented and that curtailment should be had wherever possible.' When asked as to the transportation situation in his district Mr. Alexander said: 'There is almost no such thing there now'; and he added: 'There is one thing, I think, to be feared, and that is that if the transportation facilities are improved and commodities moved freely and credits are thereby released it may make a temporary ease in the money market, and may encourage people to go ahead and expand. I believe now is the time to put the rates up and to keep them up.'

"From this one might interpret Mr. Alexander's statement as indicating that he did not desire to see transportation facilities improved and commodities moved freely, because that would release credits and encourage the business people to go ahead. May Heaven save this Nation from a policy so narrow visioned and so amazing as that!

"Mr. Treman, also of the New York district, said: 'I think Mr. Alexander has well expressed the general sentiment of the directors in our district, that there is a spirit of hesitation and uncertainty prevailing throughout the country, and that the business interests are looking to the Federal Reserve Board and the Federal reserve banks to indicate what is to be done. We have felt in New York that it was advisable to advance the rate further than at present, because we got good results from the action which was taken in the winter. We believe the time is coming when there should be a further warning by the advancement of the rate throughout the country. Not that it would curtail business—that is, the advancement of a point or a half point in the commercial rate—but it would be a warning to a great many banks that will not be affected by the graduated or progressive rate that in dealing with their customers they should recognize what many of them apparently do not recognize yet, and that is that the credit situation is a very strained one and should be dealt with now before the conflagration becomes too severe. As to the particular method to be employed, Mr. Alexander, I think, has correctly stated the position of the directors of the Federal Reserve Bank of New York—that is, that there should be an immediate raise in rate; second, that the position outlined by Governor Harding with regard to the process and methods of education should be carried out. * * * I am in very close touch with certain of the distributing interests—jobbers in hardware and jewelry and other lines—and I am sure that they are disturbed and they are looking to the Federal Reserve Board and the Federal reserve banks to outline a remedy which will deal with the situation in a sound and sane way at the present time without causing undue alarm. We can do that if we begin and restrict

within reason the granting of credit through individual banks. You must do something more than send them requests not to do it. The way to do it is to bring them face to face with the officials of the Federal reserve banks in each district and have them understand the situation and have them in turn go back and deal with the commercial and business interests. We can in addition to reaching the business organizations through their officials reach the agricultural societies and organizations through their officials, so that if there should be an effort to get in touch with the large interests in each district and merely point out the necessity for a reasonable curtailment of credit, the same as we curtailed sugar and coal when there was a real need for it, it seems to me that by the raising of rates now, by the education of bankers individually and by these group meetings and by going on further and extending our suggestions to the business interests of the country, I believe that we can forestall any very serious disturbance in the fall.'

"Mr. Alexander was asked by Mr. Ottley, referring to the suggested raise in rates to 7 per cent: 'In view of the basic line that is under consideration by the Federal reserve bank, would it be your idea, Mr. Alexander, to just make a flat rate of 7 per cent or start off the basic line at 6 per cent with a rising scale?' And to this Mr. Alexander replied: 'Make the basic rate 7 per cent. I am in hopes that there will be no plan of progressive rates put in effect in New York. Make the rate 7 per cent. I am speaking of commercial paper. * * * Commercial paper is the thing that is being created in volume right now and we want to limit it as much as we possibly can limit the creation of commercial paper.'

"Mr. Charles Smith, of New York, said: 'The entire board of our bank is in hearty accord with the advancement of rates as expressed by both Mr. Alexander and Mr. Treman.'

"Mr. John Skelton Williams said: 'Before we leave this question, Mr. Alexander, as you suggest a 7 per cent rate, do you not think that one of the effects of a 7 per cent rate as a minimum rate for all banks would be to discharge essential industries? Six per cent is the maximum rate in New York except on bonds and certain other things. A small bank might have an application from an essential industry and it would realize that if it were to lend to that industry the accommodation that it needed it could only reimburse itself at the higher rate or at a loss. It would have to charge that essential industry 6 per cent and would have to pay 7 per cent, and there would therefore be no inclination to extend the accommodation at a loss even to an essential industry. On the other hand, if you put the rate at 7 per cent, that would not deter the profiteers who are making 70 per cent profit, 60 per cent, or 50 per cent. My apprehension and wonder is whether a higher rate of interest would not in the long run discourage the essential producers and at the same time have no effect at all upon the profiteers, upon the men who are making exorbitant and extortionate profits.'

"Mr. Alexander replied: 'In the case of a corporation there can be a contract rate, whatever is agreed upon.' But to this statement Mr. Williams replied: 'The farmers, for example, are not corporations and a great many of the smaller transactions are not carried on with corporations.' And to this Mr. Alexander replied: 'No, I am coming to that point. Between corporations there is a contract rate, but in smaller transactions, where you are dealing with individuals and with farmers, 6 per cent is the legal rate. I do not think it makes a particle of difference to any of these borrowers, certainly to none of those with whom we come in contact, whether they pay 5 per cent, 6 per cent, or 7 per cent. The question is, "Can we get the money?" That is the question to-day. They say, "You lend us the money and we will pay the rate." Now, there is the objection as stated by you of charging 7 per cent to the member banks when they can only collect 6 per cent. I think that is a feature of the situation that must be met. In other words, I think the purpose to be served is so great and of such prime importance that these other matters must be considered of smaller importance. I think the bank would have to stand in between the users of credit for essential purposes, if necessary, or they can have balances which will justify them in making a loan at 6 per cent, although they have to pay 7 per cent for the money.'

"Continuing the discussion, Mr. Alexander said: 'That is exactly what you would accomplish by making a profiteer understand that credit is a luxury and difficult to get, and so a great New York banker, holding the purse strings over hundreds of millions, we believe, wants to make it out that credit is a luxury and it is difficult to get. In this particular case he was referring to the profiteer, but that spirit that "credit is a luxury, and is difficult to get," in this particular, prevailed in too many banking rooms where a man was entitled to credit and should not have been made to feel that credit was a luxury.'

"Mr. Williams suggested that in dealing with a profiteer the purpose could be better accomplished by saying to him: 'We won't let you have the money,' than by letting him have the money, even at 10 per cent."

"Mr. Alexander agreed to this statement as true and added: 'We could say that they could not have the money and we should see to it that the profiteer is cut out and that the essential industry is carried, even at the expense of the bank.' Referring to those who had engaged in what was called profiteering during the period of rising prices, Mr. Alexander said: 'People of that kind will disappear rapidly, I think, under present conditions, because they will be forced out.'"

THIRD DISTRICT COOPERATED IN DEFLATION OF CREDIT.

"Mr. Joseph Wayne, of Philadelphia, said that he did not think the third district was unduly alarmed over the credit situation, but that they 'felt for some time that it required rationing and the green signal had been out.'"

"When the Government sold its bonds the Treasury Department and the banks of the country pledged to 20,000,000 buyers of these bonds that they could be carried through the banks until they could be paid for out of earnings. On the subject of liquidating these Government bonds, Mr. Wayne said:

"We may have been subject to criticism for not liquidating more promptly the obligations secured by Government bonds, but we more or less acted along the suggestion of the previous Secretary of the Treasury and the Federal Reserve Board at the time these loans were taken, and it now looks to us to be a pretty bad time to force these bonds on the market. They are being more or less liquidated. We have been endeavoring in our own bank in the last month to force Liberty bonds on the market, but they do not go on very comfortably. People who have to part with them and lose 13 points do not part with their money very gracefully."

"When asked by Governor Harding if a 7 per cent rate in New York had forced the Philadelphia bank to put on a 7 per cent rate, Mr. Wayne said: 'No; but you know the general custom is that when one bank raises its rate we usually get a suggestion from the Federal Reserve Board that they will approve a raising of rate for our district, and that usually goes through.' When asked as to transportation facilities, Mr. Wayne reported them as very poor and the freight blockade as serious, and that during the past few weeks the transportation situation had not shown any improvement."

"Mr. Francis Douglas, of the Philadelphia Reserve Bank, reported that some banks were not cooperating to the fullest extent with the Federal reserve bank, and he suggested that a letter stating the actual conditions should be sent to the various banks, not only member banks but nonmember banks, throughout the country, in a plan of education, and added: 'It would be very beneficial and would help a great deal in the deflation of credit.'"

FOURTH DISTRICT OFFICIAL FAVORED BREAKING DOWN BUSINESS AND BUILDING UP FROM BOTTOM.

"Mr. Robert Wardrop, of the Cleveland Reserve Bank, said: 'I think a reasonable depression in business will be a good thing for the country,' and he added, 'I really think we would do better if we could get down to a lower basis, a different basis, and then from that we can work up again.'"

"In other words, it would be a good thing, according to Mr. Wardrop, which was the view of a leading banker we have already quoted, that business should be broken down and then take a fresh start from the bottom. Millions of people who lost by that kind of teaching naturally question its wisdom."

"Mr. Chess Lamberton, of the Cleveland bank, one whom we have already quoted, also classes himself as a 'baby director,' and declined to express any opinion on any of the subjects discussed."

NECESSITY FOR RAISING DISCOUNT RATE DOUBTED BY FIFTH DISTRICT REPRESENTATIVES.

"Notwithstanding the fact that the Richmond Federal Reserve Bank sent out a circular letter in August, 1920, that it had been urging its member banks for more than 12 months to restrict credit, Mr. John F. Bruton, of the Richmond bank, referring to the heavy demands of agricultural loans, said: 'I hope it will not be necessary to increase the rate of interest, for fear that it might be construed as a reflection upon this great industry, which in the final analysis is doing the work of the country. Probably I am a little old-fashioned, but I have the impression that some positive relief could be had at the discount table of the Federal reserve bank by the discounting committee in drawing in on certain few banks in the district and limiting their borrowings, which would give to their banks the opportunity to make essential arrangements.' When referring to some banks that he thought had been borrowing too heavily, Mr. Bruton said: 'Some of them have two

feet in the trough already and it might be advisable to reduce on some of them.'"

"The suggestion that any bankers trying to take care of their customers were hoggishly inserting two feet in the credit trough seems a little rough, and perhaps Mr. Bruton spoke unadvisedly."

"Mr. Charles E. Rieman, of Baltimore, a director of the Richmond bank, said: 'I hardly see the necessity of increasing the rate at this time. * * * With regard to the retail business, I have made a pretty close examination of it, and I do not think the shelves are overloaded.'"

"Mr. Rieman was entirely correct in his position that there was no necessity of increasing the rate and that the country was not overstocked with goods."

PENALTIES IN SIXTH DISTRICT CERTAINLY BECAME STRONG.

"Mr. J. K. Ottley, of the Atlanta Federal Reserve Bank, said: 'The condition of the farmers, merchants, and manufacturers in the sixth district, in large majority, is good.'"

"Contrast this good condition of farmers, merchants, and manufacturers in the latter part of May, 1920, as reported by Mr. Ottley, with the chaotic condition of business in that district when, by higher rates and curtailment of credit, business chaos was produced, not only in that immediate district but throughout the country generally. In further discussion of the matter Mr. Ottley said: 'I would not feel at this time, from an independent standpoint, that a raise in the rate was necessary other than to put in this basic line and make the penalties very strong as they progressed.'"

"In view of the fact that penalties for higher rates were inflicted by the Atlanta bank on one Alabama bank, which was trying to protect its farmer customers, up to 87½ per cent, the Atlanta bank evidently carried out the suggestion of making 'the penalties very strong.'"

EMINENT CHICAGO BANKER SOUNDED WARNING NOTE.

"Mr. George M. Reynolds, of Chicago, was evidently not in favor of breaking down business so as to get a new basis from which to start again, for he said: 'If we pass through this crisis successfully and maintain prosperity at anything like its present level, I think the first requisite necessary is the maintenance of confidence. Believing, furthermore, that confidence is to a considerable extent a state of mind, it seems to me that we people who are from the outside points here could do more for the state of mind along the line of trying to enable the members of the Federal Reserve Board to look through our glasses and get the focus of things as we see them at the other end of the line.'"

"What a daggerlike thrust that was on the part of Mr. Reynolds against some members of the Federal Reserve Board when he, as one of the greatest bankers of America, suggested that one of the most important things was to get the Federal Reserve Board to look at the situation from his standpoint. What an infinite pity Mr. Reynolds was not able to bring about such a desirable change of vision! Further discussing the subject, Mr. Reynolds said: 'I would not be honest with myself if I did not express my own frank opinion on some of the questions that have been raised here. I have not lost my belief in the theory that the yardstick is the interest rate, which is after all the best means of controlling the demand for money. * * * I hope the Federal Reserve Board and the other people interested in this problem will not overlook this one principle.'"

"As I understand it, reserves are kept and amassed and impounded for the purpose of loans in times of emergency. * * * Take the central reserve cities, and there are deposited in those banks, as you know, secondary reserve deposits, which since the organization of the system have been lying there dormant. In times like this when there is an emergency there is a shrinking first in deposits, and then many of these institutions come back to us for credit requirements which are not borrowed ordinarily. We have that situation in this crisis. * * *

In every institution in this country there is a large amount of paper which is not eligible for rediscount at the Federal reserve bank, but at the same time it represents the very cream of paper in so far as the question of safety is concerned. * * * It may seem to you people here that under conditions which arise whereby there should be deflation rather than inflation the banks should stop loaning money. That is just as impossible without trouble as it is for us to fly out of this room. * * * I have not one particle of fear about the outcome. It is just a question of using what we might call horse sense and not getting stampeded or excited or doing something under stress of excitement or going off, as we sometimes say in the country, half cocked."

"Mr. Charles H. McNider said: 'We feel there must be reason, there must be sanity, that the essentials must be taken care of, that there can not be an extraordinary cutting down of

credits at this time because that would create disaster. * * * We ought to deflate in a sane and reasonable manner.'

"Unfortunately, Mr. McNider's suggestions were not taken, for we deflated in an insane and extraordinary manner, and the result was world disaster.

"Mr. E. L. Johnson, of the Chicago Reserve Bank, said: 'I believe that education and propaganda must be carried on, with authority and with strength, carried on from this board and from these gentlemen here down to all the nonmember banks on to the small business man in the small factory.'

"Evidently the propaganda was carried on and carried on with authority and with strength, for bankers everywhere were warned to curtail credits, and naturally any man who was not a fool from the top of his head to the bottom of his feet knew that that meant the breakdown of prices, the breakdown of business, and the increase of unemployment; and therefore every man stopped buying raw materials or finished products of every kind. Mr. Johnson added that Governor Harding's speech should be 'properly disseminated among them with the show of authority, even if you do not have it.'

"What an amazing statement for one of the directors of the Federal Reserve Bank of Chicago to make to the effect that Governor Harding's speech should be broadly disseminated among the banks with a show of authority, even if Governor Harding did not have such authority!

MINNEAPOLIS BANKER WANTED TO STOP HIGH FINANCE IN POLITICS AND BUSINESS.

"Mr. Wesley C. McDowell, of the Minneapolis Reserve Bank, said: 'I do not like this increase in rates. Out in our part of the country we have been going a little bit wrong on our thinking, so that we have established a bank of our own, called the State Bank of North Dakota. * * * I think that any method that would raise the rate arbitrarily when the farmer has had four or five years of poor crops * * * it looks to me like the institution they told us of when we started the Federal reserve system, that was going to take care of us and prevent panics, was now going to fall down and penalize them. * * * It seems to me that now is a poor time to penalize the little fellow. * * * The Federal Reserve Bank of Minneapolis is making \$10,000 a day. Is that profiteering, when they have been using our money without any interest ever since it started? Is the Federal Reserve Board going to be put in the same class with the sugar profiteer and the manufacturer who has been making big money? * * * So I say again, it does not seem to me that now is the proper time to increase our rate. We want to cure that unrest out there more than we do anything else. We want to stop some of this high finance in politics, in business.'

DRASTIC REMEDIES OF TENTH DISTRICT MANAGERS PROVED FATAL TO VICTIMS.

"Mr. J. C. Mitchell, of Denver, director of the Kansas City Federal Reserve Bank, referring to the condition in his district, said: 'In my opinion we corrected the trouble there by putting in the progressive interest rate; we felt we had to do something. We considered it a little bit drastic, but we thought we would try it, and we did try it.'

"It looks like the directors of that bank were trying an experiment the end of which they could not see. Mr. Mitchell thought it was a success. We venture to say that a million people in that territory thought it was a dismal failure. It looks very much like the quack doctor called in to attend an ill child. The quack admitted that he could not diagnose the case, but, said he: 'I am hell on fits, and I will throw the child into fits and cure the fits.' Unfortunately, the child died, and many a farmer and many a business man in the Southwest died financially because of the action of the Kansas City bank.

"Mr. W. J. Bailey, of the Kansas City Reserve Bank, said: 'I am well convinced, gentlemen, that you will bring the Federal reserve system back to a reserve system rather than a commercial system if you will make it unprofitable for certain great banks to use the funds of other banks.'

"What a pity that Mr. Bailey did not mention by name the great banks against which he aimed this dart! Then he added: 'I think the real remedy is in a graduated rate. Of course, make the basic line whatever you want and let us say you would raise the rate to 7 per cent. Now, the only complaint we have among our banks is that there ought to be a maximum rate. I do not believe that, gentlemen. I would put a danger signal here and another there and another up there—that is, death; and he will never go against the death signal. You have made the Kansas City Federal Reserve Bank a broker's shop; you have changed it from a reserve bank to a commercial bank and I want to get it back, and that is the reason I am in favor of the graduated rate.'

"Mr. Forgan offered a resolution that a committee of five be appointed 'to prepare a resolution in regard to the effect the transportation situation is having on the expanded condition of credit in the country, with a view to placing such a resolution before the Interstate Commerce Commission, requesting them to do what in their power they can to relieve the situation by increased freight rates or otherwise.'

"It has been reported that one of the thoughts expressed by some at that meeting was that one way to break down business in addition to restricting credit was to secure increased freight rates and thus lessen the volume of business, bringing business down to a point where the railroads and the banks without trouble could transport and finance the business then in operation. That does not, however, appear in the resolution nor in the report of the meeting, but that was a current report in Washington at the time of the meeting as the intention of those who sought to persuade the Interstate Commerce Commission to raise rates.

GRADUAL DEFLATION FAVORED BY ELEVENTH DISTRICT MANAGER, WHO DOUBTED WISDOM OF PROPOSED RAISE IN RATES—WITH 100 PER CENT PROFIT, FEDERAL RESERVE BANKS WERE ALREADY CHARGED WITH PROFITEERING.

"Mr. John T. Scott, of the Dallas bank, said: 'Speaking of the increased rates proposed by some of the districts, I can not find myself in agreement on that proposition. We have already increased the rate, and the increase of the rate is not going to correct the evil unless the member banks all cooperate.

"We might increase the rate from 7 to 8, 9, and 10, and the situation would still be uncorrected. I believe we ought to continue our efforts with our member banks throughout the country and induce them to curtail their loans as far as possible to only the legitimate needs of legitimate business, and by that means we can bring about in a normal way the deflation of credit. We must remember that this inflation has not taken place over night; it has been going on from three to four years, and it is going to take some time to correct it. We can not hope to correct the situation in a day or a month or in six months. We have got to go at it in a sensible way, to bring it about in a gradual way rather than attempt to correct it within a short period of time. The Federal reserve banks have been charged with profiteering by reason of the rates they are now charging. We are making in the neighborhood of 100 per cent on our capital. * * * The Federal Reserve Bank of Dallas has already adopted the progressive rate proposed to be put in wherever the executive committee finds it necessary to do so. * * * We have sent out two letters within the last three months to the member banks. The last one was sent out at our last directors' meeting, under the order of the directors, to be sent under personal cover to the president of each member bank and by registered mail, so the letter would receive attention, and they were requested to read these letters at the next meeting of their boards.'

"With a registered letter to the president of each member bank and requirement that he read this letter at the next meeting of his board of directors the Dallas bank was evidently following the suggestion of Mr. Johnson, of the Chicago bank, who suggested that the governor's speech should be disseminated among the bankers with a show of authority, even though the governor did not have the authority. The Dallas bank either had the authority or it took it, and at any rate the member banks that received that registered letter well knew they were taking their life in their hands if they failed to obey it.

"Mr. B. A. McKinney, of the Dallas bank, said: 'From a study of the condition of those banks I can say that throughout all the districts they are in stronger condition to-day than they were a year ago.'

"That favorable condition, however, hardly held good after drastic deflation was put into effect.

WIELDING A CLUB ON FRIEND AND FOE ALIKE NOT APPROVED BY TWELFTH DISTRICT DIRECTOR.

"Mr. C. K. McIntosh, of San Francisco, said: 'We are thoroughly in accord with the resolution adopted and with the speech of Governor Harding outlining the methods that are desirable for us to proceed on. We can see the problem and we know fairly well some of the causes. We know that there is a demand that exceeds the supply of credit; we know there must be discrimination, and we are ready to join in any proposition. * * * I can hardly conceive that it is wise, in the endeavor to keep out the undesirable feature, to permit it to be rocked, even though the rocker is willing to pay 7 per cent for the privilege. I find it hard to convince myself that it is the most intelligent restraint to wield a club on the heads of friends and foes alike. A rate which applies beyond a certain arbitrary and calculated line has its effect, but without regard to what the man on the other end of the line is doing it is something

like running into a melee with a club in one's hand to assist in quelling it and making up your mind you are going to strike every fellow on the other side of the fence, whether he has his coat off helping to reduce the melee or whether he is one of the main instigators. It seems to me the character and not the amount of opposition should be the prevailing factor in penalties. * * * We must have the assurance, or should have the assurance, that we may have the unqualified support of the Federal reserve banks in our district, because that is their job; also the reserves are not sacrosanct; they are not to be framed and hung on the wall. That given the purpose, given the fact that the real purpose is being served by the advance, the Federal reserve bank must help us, must help those who are doing that thing, and must decline when discrimination is practiced against those not doing that thing. * * * If we can go to our people with the assurance that there is credit available for the production of essential and quickly assimilable things and that as compensation for that use we must ask to refrain from the demand for credit for those things not essential or for those which in our minds are not essential, we shall have gone a long way toward solving the difficulty as far as it is within our power to do so.

"Unfortunately for the good of the country the reserves were regarded as sacrosanct and were not called upon to help out in the emergency—the very thing for which they were established—and the banks did not, with the cooperation of the Federal reserve system, guarantee to their customers credit for essential things.

CALLING LOANS AGGREGATING \$2,000,000,000 PROPOSED AS DESIRABLE WAY TO PREPARE FOR FALL BUSINESS.

"Mr. John Perrin, of the Federal Reserve Bank of Chicago, said: 'The way to meet that problem is to bring about in the next three or four months a definite amount of contraction which would permit us to expand correspondingly in the fall. If it were possible for every bank in the country to reduce its loans during the next three or four months to the extent, say, of 10 per cent, there would be a total expansion in the fall possible of approximately \$2,000,000,000.'

"Here is a definite suggestion as to calling loans amounting to \$2,000,000,000 in order that they might be reloaned in the fall, or, in other words, break down business in order to give it a fresh start a few months later!

"Mr. Forgan said that the calling of the convention 'has stirred up sentiment throughout the country and there has been some thought, I think, of a good deal of misapprehension of what we were going to do when we got here. The fear got out that we were going to meet here and in some way were going to classify loans into essentials and nonessentials and with that even send an order through the country that there were to be no loans on what we term nonessentials.'

"Mr. Forgan then presented some documents from the American Bankers' Association committee and other organizations which had been disturbed by the unrest already created throughout the country by the campaign of deflation which had been for some time under way by Federal reserve banks and by the fear that this convention would make still more drastic rulings. Letters were presented also from some leading business concerns along the same line. If any of these big business interests were tipped off in advance as to what was to be done prior to this information leaking out to the public they would have had an opportunity to make many millions of dollars. If, for instance, some corporation through some member of this meeting learned that deflation was to be continued it would have had a chance to unload before the break in prices came. It is hardly possible that, as 100 copies of the report from which we are quoting were printed for confidential circulation, so we are advised, and the type then destroyed, some people did not have an opportunity of learning what the public had not learned and thus of having the opportunity of utilizing this information in a way which might have made millions or saved millions.

"Mr. F. O. Watts, of Federal Reserve District No. 8, chairman of the committee on transportation, made a report for the committee reviewing the inadequate transportation facilities of the country, which were hampering business, and in the course of which it was said: 'A striking necessity exists which can only be relieved through the upbuilding of the credit of the railroads. This must come through adequate and prompt increase in freight rates. Every delay means the paying of greater cost, directly or indirectly, and places a burden on the credit system which in the approaching time for seasonal expansion may cause abnormal strain. Even under the light of war inflation, high price level, and extravagances the bank reserves would probably be sufficient if quick transportation could be assured during the time of the greatest strain.'

WERE INCREASED FREIGHT RATES SUGGESTED AS MEANS OF LESSENING VOLUME OF BUSINESS?

"Mr. Watts offered the following resolution, which was unanimously adopted:

"Resolved, That this conference urge as the most important remedies that the Interstate Commerce Commission and the United States Shipping Board give increased rates and adequate facilities such immediate effect as may be warranted under their authority, and that a committee of five be appointed by the chair to present this resolution to the Interstate Commerce Commission and the United States Shipping Board with such verbal presentation as may seem appropriate to the committee."

"What was the verbal presentation made by the committee to the Interstate Commerce Commission in behalf of increased freight rates? Was it, as some have surmised, a suggestion that it would be better temporarily to lessen the volume of business of the country in order to enable the railroads and the banks to handle it? Some rumors to that effect were circulated at the time. Were they correct?

"Mr. Wayne raised the question of graduated rates on borrowings or rediscounts and said: 'I would like to know whether in the districts that have adopted this procedure there has been eliminated the question of borrowing on Government securities from calculations as to the line of credit granted to a bank?'

"Governor Harding replied: 'In the Kansas City district and the Dallas district, in their tentative plans they have eliminated entirely borrowing on Treasury certificates of indebtedness and on Liberty bonds actually owned on the 1st of April, 1920.'

"Mr. Wayne then asked: 'Have they made any reference to collateral notes of customers that have been discounted by the banks as a result of Liberty loan subscriptions?'

"Mr. Bailey replied: 'They have to belong to the bank on the first day of April. We have made that rule.'

"Mr. Scott said: 'It is the same way in the Atlanta district.'

"Mr. Wells said: 'He wants to know if customers' notes secured by Liberty bonds are exempt from the application of it'; and Mr. Bailey said: 'They are not.'

"When the Federal reserve system undertook to violate every promise made by the Government and by the banks in persuading people to buy Liberty bonds, promising to carry them and then calling loans on them in order to force them out of the banks, breaking them down from 12 to 15 points or more, the honor of the Government and the good faith of banks was trampled in the mire and millions of bonds bought in good faith by patriotic people to help the banks and help the Government were forced to be sold at a loss, and the National Government bought in \$2,000,000,000 of its own dishonest promises to pay and the Secretary of the Treasury boasted of the money that had been saved in doing so! And at these low prices hundreds of millions of bonds were bought in by big estates and big institutions, with heavy losses to innocent original purchasers.

"At the afternoon session it was proposed to appoint a committee of five, as that number 'would be more impressive,' to prepare some kind of a statement or memorandum to be submitted back to the conference, which we can use as a basis of a press statement and which you can all use as a basis of a statement to your own banks when you get back home touching the situation as you see it, and forestalling any more remarks such as were made in the Senate yesterday as to all kinds of trouble coming, and yet being careful not to stir up another bomb."

PRESS DENIED OPPORTUNITY OF GETTING FACTS OF MEETING.

"When the press is denied the right to learn for itself what is going on and must accept as law and gospel any prepared report, the public may rest assured that it is not getting the real facts, and yet such a prepared report was all that the press has heretofore ever been able to secure as to the discussions which took place in that meeting.

"Mr. John Skelton Williams, discussing in the afternoon some of the things that had been said during the morning, said: 'I do not think myself that there is any ground for expecting a commercial cataclysm or crisis such as some people are predicting. * * * I see nothing in the situation to justify the fear of such a commercial crisis or financial catastrophe as we had either in 1873 or in 1890 or in 1907. If anything of that kind comes it will be our fault, the fault of those who are in charge of the banking and commercial interests of the country, and I do not believe they are going to bungle it.'

"Unfortunately those in charge of the banking interests of the country did bungle it and bungled it badly, as Mr. Williams

has repeatedly said that they did, and proved by the figures which he has published showing how badly it was bungled.

"Mr. Henry A. Mohlenpah, member of the Federal Reserve Board, and who, it is generally thought, joined Mr. Williams from time to time in vigorous opposition to the drastic deflation campaign carried out by Governor Harding and other members of the board, in following Mr. Williams's address said: 'I think it to be right to say that there is no member of the board at this time that has been related to your problem so directly as perhaps I have been, because I have just come from the desk and I have during the past six months visualized the proposition you are up against, and I want to say right here, gentlemen, that I refuse to be a pessimist. I quite agree with the comptroller. That does not mean to say that I am an expansionist or an inflationist, but I do believe in the broad general proposition that we have just as much right to take stock of our assets and of our privileges and of our opportunities as we have of the darker phases of the question. * * * I believe out of this question will come a stronger, higher morale on the part of the bankers themselves.' And referring further to the situation he said: 'It is just exactly to my mind what this situation needs; not a contraction that is going to hurt; it needs the steady nerve of the bankers, just as they faced their problems in 1903 and 1907.'

"The situation did need, just as Mr. Mohlenpah said, the kind of handling that would not produce a contraction to hurt business, but in place of that it got a contraction that well nigh destroyed business. Mr. Mohlenpah and Mr. Williams thought that the management of the Federal reserve system would not bungle the job, but the most disastrous commodity panic in the world's history and the most disastrous agricultural condition which this country has faced in its whole life proved that the job was badly bungled, unpardonably bungled. As one of the speakers said, it had taken three or four years of inflation to carry us to the top, and it should have been evident to every man that the only way to come down safely was to take as long in coming down from inflation as we had taken in climbing up. This, however, was made impossible by the urgent efforts of Federal reserve banks to cause member banks to restrict credit and with the Federal Reserve Board carrying out its constant efforts to impress upon all banks the need of restricting credit and curtailing business operations; chaos was inevitable.

\$32,000,000,000 LOSSES AS RESULT OF RESERVE BOARD'S DEFLATION PROGRAM.

"As the Manufacturers Record showed a few weeks ago, the decline in the value of farm lands in 1920 and 1921 under deflation amounted to about \$18,000,000,000, and the decline in the value of farm products of these two years as compared with 1919 prices showed a decrease of over \$14,000,000,000, making a total loss to the farmers of upward of \$32,000,000,000. If to this we add the decrease in securities, stocks, and bonds of railroads and industrial corporations and the losses in the decline of output in manufacturing and mineral industries, it will be found that under the system pursued of erroneous financing and financing directly contrary to the teachings of such bankers as Reginald McKenna and others of his standing we wiped out about \$50,000,000,000 of values, a staggering loss which well nigh shocked the very life out of the country. Mr. Wayne, referring to the proposed progressive discount rate, said: 'It does not appeal to me as a director of the Federal reserve bank at all, at least for operation in our district. I am afraid it will do just the opposite for which the Federal reserve act was enacted. In other words, the act was proposed to enable the banks to cater to commercial business. I know in the operation of our bank we were very often called upon to borrow quite heavily and we cut it down as fast as we could, but if we are going to accumulate a batch of commercial paper, either by direct transactions for customers or by purchase on the market, because our borrowings at the Federal reserve banks happen to go beyond a certain limit we are going to be heavily penalized, we are going to stop buying the paper, and we are going to invest our money in call loans on Wall Street, which is exactly what the Federal Reserve Board does not want the member banks to do. * * * I think that you are going to defeat the very purpose of the act, which was to enable commercial banks of the country to do a safe commercial business. We will simply be driven into call loans on Wall Street for our surplus money if they are going to penalize us.'

"Mr. Scott, in discussing the matter, said: 'We find that about 80 per cent of our members are small country banks, with a small capital and small deposits. * * * They are the ones that we really need to help out in the farming communities. We had a complete list made up of every borrowing bank, showing what its rate would be if they were under the

Kansas City plan, and we found that some of them ran up as high as 18 and 19 per cent. If that plan were applied it would mean the ruin of the agricultural districts.'

"That plan was put into effect and the agricultural districts were ruined, exactly as Mr. Scott had predicted.

"After considerable discussion in regard to the progressive rate and vigorous opposition on the part of a number, Mr. Mohlenpah said, 'Is it absolutely necessary in every transaction made in a Federal reserve bank that it has got to be made on a basis of profit to the Federal reserve bank, or is it not time that these reserve banks will have to forego their profit in this surplus of borrowing when the country banks have to move crops or other commodities?'

"Judging by the 100 per cent profit that the Dallas bank was making, as one of its officers said, and the \$10,000 a day that the Minneapolis bank was making, it looks as though every Federal reserve bank did business only on the basis of a profit on each transaction, regardless of its effect upon the country at large.

UNHEEDED WARNINGS OF COMPTROLLER OF THE CURRENCY JOHN SKELTON WILLIAMS.

"As shown by letters from John Skelton Williams, then Comptroller of the Currency and a member of the Federal Reserve Board, Mr. Williams repeatedly warned the board of the danger that faced the country from its deflation campaign. In a speech before the Maine Bankers' Association at Bangor June 26, 1920, Comptroller Williams called attention to the fact that the Federal reserve banks had an unused lending power at that time of about \$700,000,000 and that if the reserve requirements should be temporarily reduced by only 10 per cent the total unused lending power of the reserve system could be increased to two thousand million dollars.

"Nevertheless the financial situation, under the reserve board influence, grew worse, and on July 31, 1920, Comptroller Williams gave a statement to the press showing that the unused lending power of the reserve banks was still \$750,000,000. Mr. Williams added in that statement: 'Such figures as these ought to be sufficient to allay fears of pessimists as to the financial condition of the country at this time.'

"Mr. Williams's statement was resented by the chairman of the Federal Reserve Bank of New York, who promptly wrote a letter to the reserve board complaining that Mr. Williams's public statement was interfering with the plans for deflation.

"On August 9, 1920, Mr. Williams called attention of the reserve board to the fact that certain banks in New York were using the funds of the reserve system for speculative ventures and were extorting grossly excessive interest rates from customers, so that business men and merchants needing funds for legitimate business were being required to pay exorbitant rates.

"August 26, 1920, Comptroller Williams filed a memorandum with the board urging a reduction in rates which the reserve banks were exacting on Liberty bonds and for legitimate business transactions, and he also warned the board at that time that the drastic liquidation which had already taken place in leading commodities, including cotton, corn, wheat, rice, silk, wool, leather, etc., had brought about a shrinkage in some cases amounting to over 50 per cent. He also showed the board that the pressure had been so great that the prices of Government bonds and other high-class investment securities had been broken down to the lowest level they had touched in half a century. At that time he told the board: 'Such additional liquidation as is needed could be brought about without the exaction of interest rates as high as those which have prevailed.'

"On October 26, 1920, in a letter to the Secretary of the Treasury, remonstrating against the reserve board's policies and urging a revival of the War Finance Corporation, he said: 'The shrinkage in our leading commodities throughout the current year has ranged from 25 to 75 per cent from prices of less than a year ago. This shrinkage amounts not to millions or hundreds of millions but to billions of dollars. The strain upon the business fabric of the country is in some respects unparalleled, and I do feel that the time has come for the exercise of such salutary and constructive powers as may be at our command.'

"The reserve board's answer to Mr. Williams's protestation and remonstrances was to tighten the screws still further and to force a contraction or deflation in loans held by the reserve banks which amounted to one thousand million dollars in the succeeding 12 months, every month showing an actual contraction from the preceding month.

"When Comptroller Williams a few weeks later offered a resolution in the board to require the banks which had been exacting extortionate interest rates from member banks—as high as 50, 60, 70, and 85 per cent—to limit interest charged

member banks to 6 per cent, the board voted down his resolution, and when in February, 1921, he offered another resolution to limit the interest rates charged member banks to 10 per cent they also voted that down.

"At the close of the meeting, in which only one day was given to this general discussion of the most tremendous financial problem that this country had every faced, when days and days might well have been spent in a careful analysis of the situation, the meeting was closed with the statement by Governor Harding, which we have quoted in the opening paragraph, insisting that nothing should be given out by those in attendance in regard to the discussions that had taken place; and thus the public was to be kept in dense ignorance, knowing nothing except the official statement issued by the committee, and from which the public and the press could get no information worth having as to what was being done or would be done by Federal reserve banks.

"We do not know what has become of the 100 copies of this stenographic report of the day's proceedings which were printed for confidential distribution, but the Manufacturers' Record feels that in having secured one copy and in giving this summary of it to its readers it is rendering a service of inestimable value to the Nation."

PRESIDENTIAL NOMINATIONS.

During the delivery of Mr. GOODING's speech,

Mr. PAGE. As in open executive session I present for confirmation several nominations from the Committee on Naval Affairs. We have held our last committee meeting, and it is quite essential that they be presented. I ask that that may be done.

The VICE PRESIDENT. Without objection, the nominations will be received and placed on the Executive Calendar.

POTOMAC RIVER BRIDGE.

Mr. CALDER. Mr. President, will the Senator yield to me?

Mr. GOODING. I yield to the Senator from New York.

Mr. CALDER. I have two bills from the Commerce Committee, one that the Senator from Washington [Mr. POTNBEXTER] is anxious to have passed, a bridge bill, and one that we have already passed in the Senate, but a House bill of exactly the same character has come over.

Mr. GOODING. If there is no discussion of them, I will yield.

Mr. CALDER. I make the request with the understanding that they will not lead to any debate, and that if they do I shall withdraw them.

From the Committee on Commerce I report back favorably without amendment House bill 13554, authorizing the construction, maintenance, and operation of a dam and appurtenant intake and outlet structures across or in the Potomac River at or near Williamsport, Washington County, Md.; and I ask unanimous consent for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the Williamsport Power Co., a corporation organized and existing under the laws of the State of Maryland, its successors and assigns, is hereby authorized to construct, maintain, and operate, at a point suitable to the interests of navigation, a dam and appurtenant intake and outlet structures across or in the Potomac River at or near Williamsport, Washington County, Md.: *Provided,* That the work shall not be commenced until the plans therefor have been submitted to and approved by the Chief of Engineers, United States Army, and by the Secretary of War: *Provided further,* That this act shall not be construed to authorize the use of such dam and/or other structures to develop water power or generate hydroelectric energy.

Sec. 2. That the authority granted by this act shall cease and be null and void unless the actual construction of the dam and other structures hereby authorized is commenced within one year and completed within three years from the date of approval of this act: *Provided,* That from and after 80 days' notice from the Federal Power Commission, or other authorized agency of the United States, to said company or its successors, that desirable water-power development will be interfered with by the existence of such dam and/or other structures, as the case may be, the authority hereby granted to construct, maintain, and operate such dam and/or other structures designated in such notice shall terminate and be at an end; and any grantee or licensee of the United States proposing to develop a power project at or near such dam and/or other structure shall have authority to remove, submerge, or utilize such dam and/or other structures under such conditions as said commission or other agency may determine, but such conditions shall not include compensation for the removal, submergence, or utilization of such dam.

Sec. 3. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

COLUMBIA RIVER BRIDGE.

Mr. CALDER. From the Committee on Commerce I report back favorably without amendment Senate bill 4638, authorizing the Great Northern Railway Co. to maintain and operate,

or reconstruct, maintain, and operate, its bridge across the Columbia River at Marcus, in the State of Washington, and I ask unanimous consent for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Great Northern Railway Co., a corporation organized and existing under the laws of the State of Minnesota, its successors and assigns, to maintain and operate, or reconstruct, maintain, and operate, its existing bridge and approaches thereto across the Columbia River between the town of Marcus, Wash., and a point across the river opposite thereto, all in Stevens County, Wash., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

Sec. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

INVESTIGATION OF DISTRICT STREET RAILWAYS.

Mr. GOODING having resumed his speech,

Mr. McKELLAR. Mr. President, will the Senator from Idaho yield to me while I ask unanimous consent for the immediate consideration of a resolution of investigation of local street-car matters?

Mr. GOODING. Mr. President, I am very sorry that I can not yield to the Senator for that purpose. I am quite sure it will take up considerable time.

Mr. McKELLAR. I do not think there will be any debate at all about it.

Mr. McNARY. Mr. President, I should not want to have the resolution considered in the absence of the chairman of the committee, the Senator from Delaware [Mr. BALL].

Mr. McKELLAR. As I understood, he agreed to it.

Mr. McNARY. We had better wait until he comes in.

Mr. GOODING. Mr. President, I object.

Mr. GOODING having resumed his speech,

REPORTS FROM COMMITTEE TO AUDIT AND CONTROL CONTINGENT EXPENSES.

Mr. CALDER. Mr. President—

The PRESIDING OFFICER (Mr. WATSON in the chair). Does the Senator from Idaho yield to the Senator from New York?

Mr. GOODING. I yield.

Mr. CALDER. I desire to report from the Committee to Audit and Control the Contingent Expenses of the Senate several resolutions providing for the employment of several clerks. I expect to be out of the Chamber most of the afternoon. Does the Senator from Idaho object to my reporting those resolutions now and asking unanimous consent for their present consideration, with the understanding that if any debate at all is caused they will be withdrawn?

Mr. GOODING. I yield to the Senator from New York with that understanding.

Mr. CALDER. I make the request with the understanding that there shall be no debate.

Mr. GOODING. That is my understanding.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

ASSISTANT CLERK TO THE VICE PRESIDENT.

Mr. CALDER. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably without amendment Senate Resolution 401, and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The resolution will be read.

The reading clerk read the resolution (S. Res. 401) submitted by Mr. LODGE January 10, 1923, as follows:

Resolved, That Senate Resolution 57, agreed to May 2, 1921, authorizing the Vice President to employ an assistant clerk, payable out of the contingent fund, during the Sixty-seventh Congress, be, and the same is hereby, extended in full force and effect until the end of the Sixty-eighth Congress.

Mr. ROBINSON. I have no objection to that resolution.

The resolution was considered by unanimous consent and agreed to.

ASSISTANT CLERK TO COMMITTEE ON FOREIGN RELATIONS.

Mr. CALDER. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably without amendment Senate Resolution 402, and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The resolution will be read.

The reading clerk read the resolution (S. Res. 402) submitted by Mr. LODGE on January 10, 1923, as follows:

Resolved, That Senate Resolution 448, agreed to March 3, 1921, authorizing the Committee on Foreign Relations to continue the employment of an assistant clerk, payable out of the contingent fund, until the end of the present Congress, be, and the same hereby is, further continued in full force and effect until the end of the Sixty-eighth Congress.

Mr. ROBINSON. I understand that the resolution merely proposes to continue in employment a clerk who is already engaged, and that his services are necessary?

Mr. CALDER. Yes, sir.

Mr. ROBINSON. I have no objection to the resolution.

The resolution was considered by unanimous consent and agreed to.

ASSISTANT CLERK TO COMMITTEE ON CLAIMS.

Mr. CALDER. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably without amendment Senate Resolution 380, and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The resolution will be read.

The reading clerk read the resolution (S. Res. 380) submitted by Mr. CAPPER December 9, 1922, as follows:

Resolved, That S. Res. 442, agreed to March 3, 1921, being a resolution authorizing the Committee on Claims to employ an assistant clerk during the Sixty-seventh Congress, at the rate of \$2,200 per annum, said compensation to be paid out of the miscellaneous items of the contingent fund of the Senate, be, and the same is hereby, further extended in full force and effect until the end of the Sixty-eighth Congress.

Mr. ROBINSON. I am familiar with the work which this clerk does, and I am sure that the committee could not get along without his services.

The resolution was considered by unanimous consent and agreed to.

JOINT COMMISSION OF GOLD AND SILVER INQUIRY.

Mr. GOODING having resumed his speech,

Mr. ODDIE. Through the courtesy of the Senator from Idaho, I ask unanimous consent for the present consideration of the joint resolution (S. J. Res. 287) creating the joint commission of gold and silver inquiry.

I will state that the joint resolution has had the approval of the Senate Committee on Mines and Mining and of the House Committee on Mines and Mining. My colleague [Mr. PITTMAN], who has taken an especially active part in this matter, and several other Senators on the other side, as well as Senators on this side of the Chamber, are heartily in favor of this joint resolution, originally introduced by Senator NICHOLSON.

Mr. PITTMAN. Mr. President, I sincerely hope that permission will be given for the consideration of the joint resolution at this time. It will take but a few moments to consider and act upon it.

Mr. GOODING. If the joint resolution can be disposed of without debate, I will yield; but if it leads to debate, I will refuse to yield.

The VICE PRESIDENT. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which was read as follows:

Resolved, etc., That a joint commission is hereby created, to be known as the joint commission of gold and silver inquiry, which shall consist of five Senators, three of whom shall be members of the majority party and two of whom shall be members of the minority party, to be appointed by the President of the Senate, and five Representatives, three of whom shall be members of the majority party and two of whom shall be members of the minority party, to be appointed by the Speaker.

Said commission shall investigate and report to the Congress on January 1, 1924, upon the following subjects:

1. The causes of the continuing decrease in the production of gold and silver.
2. The causes of the depressed condition of the gold and silver industry in the United States.
3. The production, reduction, refining, transportation, marketing, sale, and uses of gold and silver in the United States and elsewhere.
4. The effect of the decreased production of gold and silver upon commerce, industry, exchange, and prices.

The said commission is further authorized:

1. To confer with citizens, associations, or corporations of foreign countries with a view to the stabilization and wider use of silver in exchange.
2. To propose, either formally or informally, to the President of the United States or the heads of the proper departments plans for negotiations with foreign governments to the same end.

The commission shall include in its report recommendations for legislation which in its opinion will tend to remedy existing conditions and shall specifically report upon the limitations of the powers of Congress in enacting relief legislation.

The commission shall elect its chairman, and vacancies occurring in the membership of the commission shall be filled in the same manner as the original appointments.

The commission or any subcommittee of its members is authorized to sit during the sessions, recesses, or adjournments of the Sixty-seventh and Sixty-eighth Congresses in the District of Columbia or elsewhere in continental United States, to send for persons and papers, to administer oaths, to summon and compel the attendance of witnesses, to employ a stenographer at a cost not exceeding 25 cents per folio to report such hearings as may be had in connection with any subject which may be before said joint commission, and to employ such personal services and incur such expenses as may be necessary to carry out the purposes of this resolution; such expenditure shall be paid from the contingent

funds of the Senate and the House of Representatives in equal proportions upon vouchers authorized by the committee and signed by the chairman thereof.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

DEFLATION POLICY OF FEDERAL RESERVE BOARD.

Mr. HEFLIN addressed the Senate. After having spoken for half an hour,

FILLED MILK—UNANIMOUS-CONSENT AGREEMENT.

Mr. LADD. Mr. President—

Mr. HEFLIN. I yield to the Senator from North Dakota.

Mr. LADD. I ask unanimous consent that to-morrow at 5 o'clock all debate cease on the filled milk bill (H. R. 8086), and that the request apply to the bill and all amendments.

The PRESIDING OFFICER (Mr. CAPPER in the chair). Is there objection to the request made by the Senator from North Dakota that all debate on the filled milk bill cease to-morrow at 5 o'clock. The Chair hears none, and the unanimous-consent agreement is entered into.

Mr. STERLING. I understand the unanimous-consent agreement has been entered into?

The PRESIDING OFFICER. It has been agreed to.

The agreement was reduced to writing, as follows:

UNANIMOUS-CONSENT AGREEMENT.

It is agreed by unanimous consent that at 5 o'clock p. m. on the calendar day of Thursday, March 1, 1923, debate shall cease upon any amendment that may be pending, any amendment that may be offered, and upon the bill (H. R. 8086), an act to prohibit the shipment of filled milk in interstate or foreign commerce.

ORDER FOR ADJOURNMENT.

Mr. JONES of Washington. Mr. President, will the Senator from Alabama yield to me a moment?

Mr. HEFLIN. I yield.

Mr. JONES of Washington. I ask unanimous consent that when the Senate closes its business to-day it adjourn until 11 o'clock to-morrow morning.

The PRESIDING OFFICER. Is there objection to the request made by the Senator from Washington? The Chair hears none, and it is so ordered.

AMENDMENT OF COAL COMMISSION ACT.

During Mr. HEFLIN's speech,

Mr. BORAH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Idaho?

Mr. HEFLIN. I yield to the Senator from Idaho.

Mr. BORAH. Mr. President, I have asked the Senator from Alabama to yield to me in order that I may ask unanimous consent for the consideration of a bill, with the understanding, of course, that it shall not take any considerable time to pass it. I do so because, if we do not get the bill through to-day, we are not likely to get it through the other House, and it is a matter of wide-reaching public interest. I refer to Senate bill 4160, to amend what is known as the coal commission act.

The PRESIDING OFFICER. The Secretary will state the title of the bill.

The READING CLERK. A bill (S. 4160) to amend the act of Congress entitled "An act to establish a commission for the purpose of securing information in connection with questions relative to interstate commerce in coal, and for other purposes," approved September 22, 1922.

Mr. BORAH. I can state in two minutes what the amendments are.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. ROBINSON. Mr. President, the Senator from Idaho has explained to me the purposes of the bill, and I hope it may be considered and passed.

The PRESIDING OFFICER. Does the Senator from Idaho desire to discuss the bill?

Mr. BORAH. No; I do not desire to take the time to discuss it unless some one wants to ask me a question about it.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the first paragraph of the act of Congress entitled "An act to establish a commission for the purpose of securing information in connection with questions relative to interstate commerce in coal, and for other purposes," approved September 22, 1922, is amended to read as follows:

"That for the purpose of securing information in connection with questions relative to interstate commerce in coal and all questions and problems arising out of and connected with the coal industry, there is hereby established a governmental agency to be known and designated as the United States Coal Commission, to be composed of

not more than seven members appointed by the President of the United States, by and with the advice and consent of the Senate. Judges of courts of the United States shall be eligible for appointment as members of the commission, and the appointment, qualification, and service of a judge as member shall in no wise affect or impair his tenure as judge. No Member of the United States Senate or of the House of Representatives shall be eligible to serve on said commission. Said commission shall elect a chairman by majority vote of its members and shall maintain central offices in the District of Columbia, but may, whenever it deems it necessary, meet at such other place as it may determine. A member of the commission may be removed by the President for neglect of duty or malfeasance in office but for no other cause. Each member of said commission shall receive a salary of \$7,500 a year, except that if a judge of any court of the United States serves as a member of the commission, he shall continue to receive only his salary as judge, and shall receive no salary as a member of the commission, but any such judge hereafter serving as a member of the commission, or who has heretofore under appointment by the President served on or advised with the commission, shall be allowed for his necessary expenses of travel and reasonable expenses of maintenance while necessarily away from his place of official residence as judge and in the service of the commission, the same amount, and upon like certificate, as is by law allowed circuit and district judges of the United States when transacting official business at places other than their place of official residence as judge, such payment to be paid out of any appropriation for said commission. Any vacancy on the commission shall be filled in the same manner as the original appointment. Said commission shall cease to exist one year after taking effect of this act."

SEC. 2. That such act of September 22, 1922, is amended by adding after the fourteenth paragraph thereof the following:

"That the commission or any officer, employee, or agent thereof may prepare and submit to and require to be answered by any person written questions of fact concerning any of the matters which by this act the commission is empowered or directed to investigate, and such person shall thereupon answer fully and in good faith any and all questions so propounded. Such answers shall be in writing and shall be verified by oath of the persons making them and shall be returned to the commission or its officer or agent within the time which the commission or any officer or agent thereof may prescribe. The oath may be taken before any member of the commission or any officer or agent of the commission by it duly authorized, or before any officer authorized to administer oaths either by the laws of the United States or the laws of the State in which verification is made, but when taken before a notary or other State officer such oath shall be certified under the hand and official seal of such officer."

SEC. 3. That the seventeenth paragraph of such act of September 22, 1922, is amended to read as follows:

"That any person who shall willfully neglect or refuse to attend and testify or depose, or to produce or permit access to any book, account, record, document, correspondence, paper, or other evidence, or to answer any written questions propounded by the commission or any officer or agent thereof, as herein provided for, and any person who shall willfully give false testimony in respect of any matter or thing under investigation by the commission, or shall make or cause to be made any false entry or statement of fact in any written answer or report called for by the commission of any officer or agent thereof, and any person who shall make or cause to be made any false entry or statement of fact in any book, account, record, document, correspondence, paper, or other evidence, with intent to deceive the commission or any officer or agent thereof, shall be guilty of an offense, and upon conviction thereof be punished by a fine of not more than \$5,000 or by imprisonment for not more than one year, or by both such fine and imprisonment."

"That in case of disobedience to any subpoena issued by the commission or any member thereof, or of refusal or neglect to testify fully and freely concerning any matter or thing under investigation by the commission, or of refusal to make written answer to any question propounded by the commission or any officer or agent thereof, or of refusal to permit access to any book, account, record, document, correspondence, paper, or other evidence, by any person, the commission may invoke the aid of the district court of the United States for the district in which such person resides in requiring obedience to its process, orders, and requests; and the several district courts of the United States are hereby invested with jurisdiction in case of such contumacy or refusal to obey the process, orders, and requests of the commission to issue an order requiring compliance therewith. Any failure to obey such order of the court may be punished by the court as a contempt thereof."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

FREE ENTRY OF CERTAIN DOMESTIC ANIMALS.

Mr. JONES of New Mexico. Mr. President, will the Senator from Alabama yield to me?

Mr. HEFLIN. I yield to the Senator.

Mr. JONES of New Mexico. I desire to ask unanimous consent for the consideration and passage of a joint resolution, which has already passed the House and has been favorably reported from the Finance Committee, relating to permission to return to the United States cattle which have been taken over to Mexico on account of the drouth. The committee reports it with two amendments.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution (H. J. Res. 422) permitting the entry free of duty of certain domestic animals which have crossed the boundary line into foreign countries, which had been reported from the Committee on Finance, with amendments.

The amendments were, on page 1, line 6, to strike out "hereafter" and to insert "during the years 1921 and 1922," and on page 2, lines 2 and 3, to strike out "within 12 months from

the time they so strayed or were driven," and to insert "on or before July 1, 1924," so as to make the joint resolution read:

Resolved, etc., That despite the provisions of the third paragraph of paragraph 1506 of Title II of the tariff act of 1922, horses, mules, asses, cattle, sheep, goats, and other domestic animals, which during the years 1921 and 1922 have strayed across the boundary line into any foreign country, or been driven across such boundary line by the owner for temporary pasturage purposes only, or which may so stray or be driven before March 1, 1923, shall, together with their offspring, be admitted free of duty, under regulations to be prescribed by the Secretary of the Treasury, if brought back to the United States on or before July 1, 1924.

The amendments were agreed to.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

INVESTIGATION OF DISTRICT STREET RAILWAYS.

Mr. CALDER. Mr. President, will the Senator from Alabama yield to me?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from New York?

Mr. HEFLIN. I yield.

Mr. CALDER. Mr. President, I have asked the Senator to yield to me in order that I might report, from the Committee to Audit and Control the Contingent Expenses of the Senate, Senate Resolution 456.

Mr. McKINLEY. Mr. President, I object at this time. The filled milk bill is being delayed.

Mr. McKELLAR. Mr. President, the Senator from New York has a right to make a unanimous report from a committee. The Senator from Illinois can not object to it.

Mr. LADD. Mr. President, I have not objected to routine matters coming in, but we will not get through with this bill to-night if we keep devoting our time to something else, and I shall have to object to all other business.

Mr. McKINLEY. I demand the regular order, Mr. President.

The PRESIDING OFFICER. Objection is made. The regular order is demanded.

Mr. McKELLAR. Mr. President, a parliamentary inquiry. When a Senator has the floor and submits a report from a committee, does he have to get unanimous consent to do so? He has a right to do so; has he not?

The PRESIDING OFFICER. He must secure unanimous consent unless it is during the regular morning hour.

Mr. McKELLAR. Very well; we will present it to-morrow morning.

The PRESIDING OFFICER. The Senator from Alabama has the floor and will proceed.

Mr. HEFLIN resumed his speech. After having spoken for some time,

Mr. STANFIELD. Will the Senator from Alabama yield that the Chair may lay before the Senate amendments of the House to a Senate bill?

Mr. HEFLIN. I yield for that purpose.

LEASES ON LANDS IN OKLAHOMA.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 4197) to authorize the Secretary of the Interior to issue to certain persons and certain corporations permits to explore or leases of certain lands that lie south of the medial line of the main channel of Red River, in Oklahoma, and for other purposes, which were, on page 1, line 10, to strike out "January 1, 1920," and insert "February 25, 1920"; on page 2, line 2, to strike out all after "gas" down to and including "them," in line 6, and insert "by issuance of permits or leases to those found equitably entitled thereto"; on page 2, line 9, to strike out "thirty" and insert "sixty"; on page 2, line 11, to strike out "shall" and insert "may"; on page 2, line 19, to strike out all after "interest" down to and including "required," in line 3, page 3, and insert ". In case of conflicting claimants for permits or leases under this act the Secretary of the Interior is authorized to grant permits or leases to one or more of them, as shall be deemed just"; on page 3, line 11, after "pay," to insert "as royalty"; on page 3, line 22, to strike out "who was"; on page 3, line 23, to strike out all after "States," down to and including "wells," in line 25; on page 3, line 25, after "centum" insert "as royalty"; on page 4, line 1, after "residue," to insert "after deducting and paying the expenses of the litigation incurred by the United States and the expenses of the receivership"; and on page 6, line 24, after "funds," to insert "derived from oil and gas produced from lands of the United States."

Mr. STANFIELD. I move that the Senate concur in the House amendments.

Mr. JONES of Washington. Are these amendments material or are they mere matters of form?

Mr. STANFIELD. They are material, although in principle they are really matters of form. I will state the principal amendment which has been made to the bill by the House. The Senate laid down the rule by which the Secretary of the Interior was to judge of the right of claimants. In the House amendment they have applied the rule laid down in the general leasing act, that in case of conflict and contest the Secretary of the Interior is empowered to give leases to one or more in case of contest or conflict as he shall judge. That is the principal change.

Mr. JONES of Washington. Has the Senator conferred with any of the other members of the committee and learned that the amendments are satisfactory to them?

Mr. STANFIELD. I have, and they are agreeable to the action I propose.

The PRESIDING OFFICER. The question is on the motion of the Senator from Oregon to concur in the amendments of the House.

The motion was agreed to.

DEFLATION POLICY OF THE FEDERAL RESERVE BOARD.

Mr. HEFLIN. Mr. President, the Senator from Idaho has had read into the Record a part of the great editorial written by Richard H. Edmonds, the editor of the Manufacturers' Record. That editorial ought to be read by every man and woman in the country. It is a masterful document, written by one of the ablest, cleverest, and most courageous editorial writers in the Republic. He was the first editor of a great magazine to set himself to the task of exposing the conspiracy to bring about destructive deflation in the United States. When hundreds of newspapers in the country were working in concert to prevent the truth of this thing from being known, when they were doing everything in their power to lull the people to sleep at home, suppressing news from the Capitol, and trying to hush up any discussion that would lead to the real truth in the case, Richard H. Edmonds was writing strong, powerful editorials demanding an investigation and bringing to the attention of the public just what he believed had transpired.

The first newspaper, Mr. President, to take up the fight was the Augusta Chronicle, the oldest newspaper in the South, which is ably edited by the brave and brilliant Tom Hamilton, of Augusta. I feel that these two men are entitled to have something of praise and commendation said of them in the closing hours of a Congress to which they have given so much information and aid in disclosing the greatest conspiracy that was ever planned and consummated in the United States. These two men, Richard H. Edmonds and Tom Hamilton, deserve the praise of all the American people.

Mr. President, it is a difficult thing to have to combat the many influences which are working in the Government to suppress the truth and to cripple and break down those who are trying to disclose the truth to the country. I know what that is.

The Washington Post of last Monday morning had a column and more describing a cock fight over in the State of Maryland where a few boys and men had gathered to see some game cocks from Virginia and Maryland do battle. That article was on the front page of this great administration sheet on Monday last, and it devoted a little more than a column to describing a chicken fight. I remarked to one of my newspaper friends that the Washington Post had given more space to that cock fight in one day than it had given to my fight against the evils of deflation and the deflation crooks in the fight of two long years. The Supreme Court of the United States rendered a decision months ago taking the Federal Reserve Board seriously to task, criticizing and condemning its conduct in its effort to destroy a little State bank out in Nebraska, and no news was ever sent out from the Capitol regarding that decision. If that decision had been against the State bank and had been favorable to the Federal Reserve Board and its criminal policies against that little bank, it would have been printed and sent broadcast through the country. I wondered what influence it was that kept that information from going out to the country.

Mr. President, I know that when I make a fight to have a fair deal for the people with the newspapers of the country I incur the displeasure of that portion of the press which is subsidized. I want to state again that a large portion of the press is not subsidized; it is honest and clean; but there is a portion of it that is as corrupt as it is possible for a newspaper to be, and I know that I incur the displeasure of that

rotten element of the press, but that does not deter me. I owe it to my constituents and I owe it to the country I am trying to serve to keep on fighting here until a fair deal is had for the people of the country. Somebody should tell the truth about it.

When a man subscribes for a newspaper, they usually tell him, "You want this paper so that you can keep up with the news. Congress will be in session soon, and you want the paper so that you can keep up with the news of Congress," and thousands of people subscribe to these papers for the purpose of getting the news about the great public questions that are being discussed, what the Members of the House are saying, and what the Members of the Senate are saying about the issues of the day and the conduct of the Government.

Mr. President, I have been engaged in the Senate for two years in a fight vital to 110,000,000 American people. But few newspapers have given me a fair deal. Scores of newspapers nestling about these regional reserve banks have attacked me, have written editorials criticizing and condemning me for the fight that I have made. They did not know anything about the fight I was making. They did not know the merits of the cause I was pleading. They were simply doing what they were told to do. They were simply told to fire upon me, to level their broadsides against me; that I was treading close to a dangerous thing, and that if it should be disclosed it would hurt many of those who were enjoying a respectable status at that time; that if I was not stopped, the truth would be made known and these people would be discredited. That was the effort that they made, but it did not deter me, Mr. President. I said on this floor time and time again that there was a conspiracy, a secret meeting held somewhere, I did not know where, to bring about deflation. I said that it did not come of its own accord; that it was prearranged. That statement was denied. These newspaper yelpers of the Federal Reserve Board said, "There is nothing in it." They said that it was a pipe dream; that it could not be substantiated; and I kept on saying that there was a conspiracy. When I was at the high tide of the battle against them in the Senate the Wall Street Journal was criticizing me, and the New York Journal of Commerce was criticizing me; and when I saw the criticisms coming from that quarter I knew that I was right and that I was moving in the right direction. I knew that they knew that I was treading dangerously near something that they did not want disclosed.

What happened since Governor Harding went off this board? I have here a copy of the little journal that was kept of that conspiracy that they held. Here it is. It is entitled:

Transcript of stenographic minutes of conference with the Federal Reserve Board of the Federal Advisory Council and the class A directors of the Federal reserve banks, held at Washington, May 18, 1920.

We never got hold of this little document until Governor Harding was driven from the Federal Reserve Board.

Mr. President, I did not have that document when I was making the fight here for nearly two years; but I told about what had happened at this meeting without really knowing all of the inside facts. Those who will take the time to read this document and read the charges and the argument I made will see how closely I tracked what occurred. I said that they agreed not to tell what had happened. I said that there was a secret arrangement. I said that those present were to go home and whisper the word around.

Mr. President, Governor Harding in closing that meeting cautioned them all to be exceedingly careful and discreet, and to say nothing about anything that was said regarding rediscount rates. That was the vital question. They had agreed to raise the rediscount rate. They knew what effect that would have upon the business of the country; and they agreed in secret conclave not to let the American people, who were to be vitally affected by the change, know anything about what had happened or what was going to happen.

After that parting injunction of Governor Harding these gentlemen dispersed. The country did not know that it was sleeping over a volcano. The country did not know that within 30 days there would be serious trouble in the financial world over here. The country did not know that the Liberty bonds, which the Government had plighted its faith to hold at par to the people who bought them out of patriotic motives, were to tumble down, and that the people who had them and who were trying to hold them would be forced to throw them upon the market, and that the bond sharks of Wall Street would feast and fatten upon them at the cost and expense of the American people who bought them to help their country in the hour of its peril.

Mr. President, at that meeting Mr. Treman, the acting governor of the Federal Reserve Bank of New York, in advocat-

ing that the reserve banks begin to restrict the granting of credit through individual banks, said:

You must do something more than send them requests not to do it.

That is, not to make loans.

The way to do it is to bring them face to face with the officials of the Federal reserve bank in each district and have them understand the situation and have them in turn go back and deal with the commercial and business interests.

Mr. President, on the floor of the Senate I called attention to one of these meetings where these bankers were brought face to face with the Federal reserve agent out in southern California. I can understand it all now. All this sort of business was discussed and agreed upon. It was agreed in that secret meeting to hoist the black flag; but the people to be slaughtered did not know it. Out in southern California the bankers' convention was in session. Judge SWING, Congressman from that State, was there, and a friend of his said, "Come and go into the convention and sit with me." The officials, it seems, did not know that any man was in the convention who was not a banker, and this Federal reserve agent got up and said to these bankers, "You must not loan any more money on farm paper, agricultural products, live stock," and so forth, and dozens of bankers sprang to their feet and said, "We do business with the farmers and cattle people. We loan money to them. Our business is tied up with their business. They need money, and we must let them have money." Then this agent made this significant statement: "If you loan them money, we will not rediscount your paper." That was the first open and bald act, so far as I know, carrying out the secret instructions given at the secret conference held here in the city of Washington May 18, 1920. What was it doing? Striking dead the agricultural business and the cattle business of the West.

What happened here in the Senate on that same day? The Senator from Illinois [Mr. McCormick] introduced a resolution in a way suggesting deflation, calling upon the board to know what it was going to do about deflation. I have said here a dozen times that there must have been some understanding that that action should be taken here in the Senate the same day this advisory council was in oathbound secret session in Washington. That resolution was passed through this body, and the Senator from Oklahoma [Mr. OWEN] made a speech in the Senate in which he said that that resolution was a nucleus around which they hoped to hang deflation, and he was a prophet. Just what he said would happen did happen, and he said that he could easily understand how the financial interests of New York, and the financial interests of Chicago, the home of the Senator from Illinois [Mr. McCormick], would be interested in having this decision brought about.

That resolution passed, and Governor Harding immediately wrote a reply to the Senate, and in it promised to use every power at his command to do what was suggested in the Senate resolution.

Mr. President, I knew they had not given the country any notice, but I did not know that they actually promised in this secret meeting that no notice would be given to the various business interests of the country. I did not know that I would find on printed page somewhere that Governor Harding had actually said such a thing, and that some of the things said had been taken down so that it could be read and preserved, but in speaking upon this subject one day I said that it was a secret arrangement, and that no notice was given to the country; that nobody had notice as to what was going to happen so that he could prepare himself or herself and be ready for the crash when it came.

I referred to a man from the Northwest, a Republican, himself a wealthy man, now a Senator in this body, telling me that they sent him word that they were going to deflate, and telling him to act accordingly and get in out of the weather, and he said, "I can not get in. My business is in such shape that if you do deflate, it is going to cost me thousands of dollars," and he said, "It did cost me thousands of dollars."

I likened that situation to people sitting in a theater, hundreds of men, women, and children looking at the stage and laughing and being entertained, happy at what was transpiring there, when some one slipped down the aisle and went over to a box and whispered to the distinguished personages there that a bomb was being planted under the building, and that in 15 minutes it would go off; for them to get out while the getting was good; that they gathered up their wraps and coats and hats, and silently stole away; that they had gone hardly

a couple of blocks before the bomb went off, the roar was heard for miles, the groans of the dying were heard, and hundreds of people were murdered in the crash.

I said that was what happened under the deflation drive. They deliberately planted this bomb under the business of seventy-odd million people in America, and they touched it off without giving them a moment's notice. The little man, the one-horse farmer, the ten-horse farmer, the blacksmith, the crossroads merchant, the village merchant, the town merchant, the country banker, men in all kinds of business in the common walks of life, were literally slaughtered by that cruel deflation drive, and not a moment's warning was given to any of them. That is precisely what the Federal Reserve Board did.

The Senator from Idaho [Mr. GOODING] has introduced a resolution calling upon the President to have this thing investigated. The President has held the same Federal Reserve Board in office. Governor Harding did not go off the board until his term expired by law August 9. He held on two years after President Harding went into office. He held on during all the time some of us were condemning deflation here in the Senate. I said repeatedly that the President ought to remove him, that unless he condoned what he did and indorsed his policy he ought to get rid of him; but he did not get rid of him. He did not get rid of him until his term expired under the law and it was disclosed that he could not be confirmed by the Senate if he had been reappointed. The other members are still on the board.

I do not know just how vigorous and thorough the investigation would be if the President should conduct it. The President has so many things to occupy his mind. I had rather have a congressional investigation. I may seek to get one next fall, when we come back, unless good results come from this investigation, if such an investigation is ordered, because I want a real investigation. I would like to interrogate these gentlemen myself. I have already convicted Governor Harding of a grave national crime. I would like to ask them about certain things and go a little more into detail as to what occurred in that secret conference.

I would like to ask them if the spokesman for the New York bank did not protest, as this secret record shows he did, against having this progressive interest rate applied to New York, and I would like to ask them why it was they never did apply that rate to New York. I would like to ask them if the governor of the bank which serves my State, Governor Wellborn, of the Atlanta bank, and the governor of the bank of Dallas, did not ask them not to apply the progressive rate down there, and why it was that it was applied at those two banks and not to New York. There are several questions I would like to propound to these gentlemen in this connection.

I have contended all along that deflation was cruel, criminal, inexcusable, and indefensible. I still contend that. It was a cut and dried plan to pillage and plunder the American people. God only knows how much money they made out of that steal. Think of it, these men sitting behind closed doors, playing with billions and billions of wealth, and agreeing amongst themselves that they would go out and strike a blow that would cause the destruction of property values by the billions, and nobody but themselves and those in the inner circle was to know anything about it.

Do you know, Mr. President, there are men in this Republic who speculate who would have given \$50,000,000 for that information that night. If they could have been told, and I suppose they got the tip, that this thing was going to happen, they would have gone upon the stock exchanges and sold and sold and sold. Senators, when men sell on these exchanges, the lower the price goes, the more money they make, and they would take no risk whatever in selling, because they knew that what was going to happen by the direction of Governor Harding and his board would tumble prices down and down, and they would gather up their profits by the millions. That is what the conspirators did.

President Wilson was very ill at that time. If I had been President, that deflation policy should never have been pulled off. If I had been President and I had known they intended to pull it off, I would have in a quiet way tried to stop it, and if I could not have stopped it that way, I would have employed sterner means and have been tempted to do as Old Hickory Jackson did in the case of old Biddle. You know what he told him, do you not? Biddle went to Jackson and wanted to have Congress couple some of his speculative measures with a Government measure and told Jackson that they ought to be put through together. Jackson would not agree to it. Then Biddle said to Jackson, "I will not let your bill pass." Jackson

told him that he could not prevent its passage. Biddle said that he could. Then Jackson said to him that was too much power for one man or one concern to have, and he would take it from him; and he did. Then what did old Biddle tell Jackson? He said, "I will contract the currency and produce a panic." And Old Hickory Jackson said to Biddle, "If you do, damn you, I will hang you." He ought to have been hanged for such a crime. Biddle's panic did not come. The men who inspired and pulled this deflation conspiracy in 1920 were criminals. They destroyed property values by the billions. They swept away in thousands of instances the accumulations of a lifetime. They deserved to be hanged.

Mr. President, that deflation policy drove men mad. Hundreds were driven to death by their own hands. They were good men struggling for an honest livelihood, struggling to support their wives and children, and yet this deflation was produced through the conspiracy held here in Washington, and it brought this crash upon the country, and it dazed and stunned hundreds of these men and drove them mad, and I have said drove them to kill themselves. Why not hang half a dozen conscienceless criminals rather than permit hundreds of men to be driven to death by their own hands or into the insane asylums of the country?

The reason they wanted to suppress me was because I was on a hot trail and they feared that I would disclose to the public the truth of their cruel and criminal conduct and I was interfering with their false theories regarding panics. They were spreading their propaganda over the country in an effort to educate the people that panics could not be prevented, that they would just come anyhow every 5 or 10 years. I knew that that was not true and I said so. It is a falsehood as black as midnight. There is no excuse for a panic in a great Government like ours under the Federal reserve system and our other banking institutions if they are honestly administered. They must be honestly administered. A few Senators in this body, who have the courage to speak their minds and who have the sense to study the problems presented from time to time, can do a great deal toward keeping the Federal Reserve Board on the right road. We can get the news to the bankers and to business generally through the CONGRESSIONAL RECORD. I have received hundreds of letters saying something like this: "I have been reading your speeches about this deflation policy. I agree with you. We only get this information through the RECORD. The newspapers do not give it to us."

Mr. President, I want to mention another thing just here. I would like to know why the nomination of Mr. Crissinger has not been favorably reported to the Senate. He was appointed governor of the Federal Reserve Board several weeks ago. Why is he being held up? What does this delay in reporting his name mean? Why can we not have the opportunity to vote on his confirmation? There would be no question about his confirmation. Why does the majority of the Banking and Currency Committee hold back the report? Do they want to give Mr. Crissinger a recess appointment? Do they want him to go without confirmation until next December? Do they want these vultures to have an opportunity to pick at him and peck at him for nine months? Why is it they do not bring his name into this Chamber? He is a good man, I repeat, and an honest man. He favored a reduction of the rediscount rate when I was making a fight for it here for months; he incurred the displeasure of Wall Street by saying it ought to be reduced. Why does not the Banking and Currency Committee bring his name into this Chamber and let us vote on him before adjournment Sunday?

I am going to insist on his confirmation. He must be confirmed before we adjourn or the people must know the reason why. I want to read here what the Manufacturers' Record says on this subject:

WHAT ARE THE FORCES FIGHTING CONFIRMATION OF MR. CRISSINGER AS GOVERNOR OF RESERVE BOARD?

The question may be well asked, Why should the confirmation of Mr. Crissinger be held up on account of the fight on Mr. McNary?

Are they the ones which two years ago were declaring that the office of the comptroller ought to be abolished? (And we presume that the chief reason for desiring to abolish the office was the great fight of the then comptroller, who was actively antagonizing the deflation campaign of the Federal Reserve Board.)

Now, these influences are saying that the comptrollership is so important that Mr. Crissinger must not be confirmed until his successor is in office.

This apparently is a trick to prevent the confirmation of Crissinger and compel him to accept a recess appointment, and thus have held over his head a possible failure of the next Congress to confirm his appointment.

Mr. Crissinger has repeatedly given evidence of his sympathy for the troubles of agriculture and his desire to make the Federal reserve system useful to farmers and business men generally.

His failure to be confirmed would in many respects be a calamity to the country. Senators who have the true interest of the country at heart and who want to make certain that no such policy of secrecy, fatal to the management of the Federal Reserve Board, shall prevail in the future should demand that Mr. Crissinger be confirmed immediately, whether the Committee on Banking acts or doesn't, and in this way administer a much-needed rebuke to the forces of reaction which have subtly endeavored by indirection to prevent a vote on his nomination to the governorship of the Federal Reserve Board.

The exposé in the Manufacturers' Record of last week of the amazing methods adopted to prevent the public and the press from getting information about the actions of the reserve board and the secrecy enjoined upon those in attendance should awaken the Senate and the country to the supreme necessity of confirming Mr. Crissinger immediately, despite the quiet but determined efforts of the forces which seek to continue their control over the Federal reserve system.

That is a strong and timely editorial from the Manufacturers' Record of February 28, 1923.

Oh, Mr. President, the people are getting tired, they are getting exceedingly weary of making a football of this great Federal banking institution and playing politics with it. We want it administered fairly and honestly. I have never criticized the system. I am proud of it. I helped to create it. I said all the time that deflation was not the fault of the system, that they perverted it from the end of its institution, that they maladministered it and turned it over to the control of the Wall Street financiers.

I said a moment ago that the deflation was inexcusable and indefensible. I want to read, in support of that statement, Governor Harding's own words in the report of the board for 1920. Here is what he said:

The Federal reserve system has met the requirements of war and readjustment by expanding, without, however, encroaching upon its legal reserves. It is capable, if need be, of expanding still further without having recourse to the emergency provisions of the act, and very much further by availing itself of these provisions.

Why did we create the reserve system? We created it for the purpose of resorting to the reserves in a crisis. We created it for the purpose of calling upon the reserve if the hour came when it was necessary to do so. We had no pride in merely providing a reserve and nursing it as a plaything and permitting a crash to come throughout the country, destroying the business of the people. The business of the people was not created for the purpose of supporting the Federal reserve banks. The Federal reserve system was created for the purpose of aiding and supplying the needs of the business interests of the country. Now what happened?

Mr. President, John Skelton Williams was at that meeting here in Washington. He made a statement to the board that if this thing was to be done at all, it should be done in a sane manner, gradually, so as not to seriously disturb business. He said, in substance, "If a crash comes, you will be responsible," speaking to the members of the Federal Reserve Board, "for that crash," because the sound condition of the Federal reserve system was such, he said, that any serious business disturbance would be wholly unjustifiable.

Mr. President, wherever they have had their hired agents—I mean the crooked, subsidized press—they have distorted what I have said. They have circulated in my own State newspaper articles from other States which have been reproduced in one or two papers in Alabama to the effect that "Senator HEFLIN renewed his attack on the Federal reserve system again today," and so forth, or "Senator HEFLIN made another speech attacking the Federal reserve system." I challenge anybody to read the speeches I have made and find one word where I have ever criticized the Federal reserve system. I have always praised it. I have criticized the conduct of those who betrayed it, of those who entered into a conspiracy to destroy business and produce a panic, and that is what they planned to do in this secret meeting held here in Washington.

There are several of these quotations from this little pamphlet, with comments thereon from a former member of the Federal Reserve Board and the Comptroller of the Currency, that I want to print in the RECORD. I shall not take the time to read them, but I ask permission to readjust them and print them in the RECORD.

The PRESIDING OFFICER. Without objection, the request is granted.

(See Appendix 1.)

Mr. HEFLIN. I shall not detain the Senate much longer. In view of the fact that some of the newspapers have printed articles that misrepresent my position upon the question, I ask unanimous consent to print in connection with my speech some of the letters I have received complimentary to my work against the Federal Reserve Board's deflation policy.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

(See Appendix 2.)

Mr. HEFLIN. Mr. President, I shall conclude, because I do not want to detain Senators at this time. I shall have something to say on various occasions on the subject. God being my helper, I am going to fight to prevent the recurrence of such a crime. Under this deflation drive I saw the agricultural masses of the South and West swept down, pillaged and plundered by the speculators and gamblers of the country. I saw 7,000,000 men driven out of employment. I saw industries stand idle. I saw stagnation in business in my country, while a few men flourished in evil doing and clipped their coupons by the million as a result of this conspiracy held in Washington May 18, 1920.

Mr. President, in order that I may get in form for circulating purposes a statement, I propose to put something in the Record regarding the subsidized press that has undertaken to hamper me and misrepresent me in this work.

Mr. President, the man who winks at and condones a thing that he believes is wrong, a thing that he believes is fraught with danger to his country, is not the right kind of a citizen; but the one who dares to do what he believes is right, and condemns wrong whenever he finds it—in the strong as well as in the weak—he is a good citizen, valuable in many ways to his day and generation.

The press, like the public servant, owes a duty to the people. Both should ever be on guard, striving at all times to do that which will promote the common weal and best serve the cause of humanity. Predatory interests can work no injury to the country as long as the press is free and fearless and the public servant is honest and faithful. But a corrupt and venal press, like a corrupt and crooked public official, becomes a constant menace and danger to the life of the State and Nation. Neither one should have the respect or support of patriotic, self-respecting people anywhere. An incorruptible press and an incorruptible public official are essential to the prosperity and happiness of the people, and absolutely necessary to the preservation of our free institutions. Then it is true, of course, that a corrupt press and a corrupt public official are the enemies of all that is clean and wholesome in our Government, and they should both be pointed out and treated as arch enemies to the country.

When the criminal agencies of greed and avarice go out to gather where they have not planted, to reap where they have not sown, to deprive others of the fruits of their toil, they seek first to corruptly control certain newspapers and then they seek to elect to office men who have no courage or convictions—men who will do what they want done without regard to the principles of right and justice. While a large portion of the American press is still free, the number of subsidized and corrupt newspapers are increasing to an alarming degree. The successful effort is being made by certain selfish and sinister interests to buy control of certain newspapers. They have in mind two things in doing that; one is to prevent the paper in question from antagonizing their propaganda and putting the people wise to just what they are trying to do, and the other is to make the paper their own enthusiastic agent or handy instrument in deceiving and misleading the people. In buying over secretly and corruptly controlling one of these papers in some communities they frequently leave the people without a single paper that will give the truth regarding matters that vitally affect the welfare of the community.

The Bible tells us that the truth is the light, and yet subsidized newspapers suppress the truth and spread the darkness of deception and falsehood where God's sunlight of truth should ever shine. Thank God there are newspapers in America—many of them—that stand foursquare to every wind that blows. Some of them are country weeklies, published far from the hustle and stir of the city. Such papers, daily and weekly, year in and year out advocate what they conscientiously believe is right and best for the country. They are serving their day and generation well, and contributing to the strength and glory of the Republic. They are mighty factors in the preservation of American ideals, and they are contributing in a superb and powerful way to the perpetuity of American institutions. All hail to them! Long live the courageous and unbridled press of our country! May their tribe increase.

No honest man has any right to contribute a dollar in subscription, or in any other way, to the support of a newspaper that belongs soul and body to predatory interests. What do people do when they discover that a public official they have been voting for has become the tool of their enemies and is being used to misrepresent and rob them? Why, they quit voting for him and he is retired to private life.

What would happen to the corrupt newspaper, the bribed agent of the corrupt interests, if the people who subscribe to it

would write to the editor or manager and simply say: "My dear sir, your paper editorially is antagonistic to the principles of fair play and justice. You traduce and slander the public officials who advocate measures that are good for the masses of the people. You seem to represent those who are diametrically opposed to my interest, and if I continue to subscribe to your paper I am aiding you to destroy those who are fighting for me and mine. I therefore request you to stop sending your paper to me." What would happen if that should be done? Why, these papers would be put out of business. The big advertisements, for which they get big money, are given to them because of the large subscription list that they have amongst the people. Cut down the subscription list, reduce it to a low figure, and the advertisements would immediately fall off and the corrupt sheet would die. When the citizen subscribes to and helps to support a corrupt and venal newspaper, he becomes responsible in part for the wicked work of such a paper. He not only permits the vile and venomous sheet to carry its scurrilous slime into his home, but he is helping to make it possible for such a sheet to continue its rotten and infamous existence.

I want to see the rank and file of our citizens, men and women everywhere, wake up to a full realization of their duty and responsibility in the matter of fighting, not supporting, but fighting, that part of the press which has no principle, no conviction, but is corrupt and venal, and therefore dangerously harmful to the best interest of the American people.

On the other hand, the newspaper that cries out against a dangerous policy and gives the truth to the people, in spite of the greed and wealth of those back of that policy, is the kind of newspaper that must continue if the Republic is to live. Such a paper is entitled to the confidence and support of patriotic people everywhere. I have in mind several such newspapers. I am going to mention one of them now. In 1920, when the Republican leaders and the big speculators and financiers of Wall Street conspired to bring on deflation and produce a panic, the effort was made by the conspirators to keep the truth from the people. The propaganda was started in New York and Washington, and spread rapidly over the country, to the effect that the business distress and financial disaster that had come upon us in all their fury could not be helped, but just came of their own accord from somewhere. Many people, dazed and stunned by the blow that came with the destruction of property values and the utter collapse of business of every kind, accepted the theory of the deflation propagandists as they gazed despondently upon the ruin that deflation had wrought. The big criminals of the biggest financial crime of the century were busy fooling the people, covering up their tracks, hiding the proof of their guilt, as they gathered in the rich fruits of their crime. Then it was that Tom Hamilton, the brave and brilliant editor of the oldest newspaper in the South, the Augusta Chronicle, commenced to lay the blame for deflation upon the Federal Reserve Board and its fellow conspirators. His was the first daily paper in the country that dared to lay at the door of the Federal Reserve Board the charge that deflation was deliberately planned and brought about for the purpose of enriching the few at the expense of the many. It required courage of a high order to do that. While some other papers took up the fight and rendered valuable service later on, the Augusta Chronicle and the Manufacturers' Record were first and foremost in the great battle against the deflation conspirators.

I wonder what would happen if they could drive out, scare out, and buy out all the courage and moral stamina left in our public men. Time was when the public man who condemned the wrong and cried out against crooks in high places had the support of most of the press of the country. But the time has come when some newspapers will openly and brazenly attack, vilify, and slander the public man who dares to condemn the conduct of the man or set of men that they have been hired to boost, protect, and defend.

The question is, Shall devotion to duty, courage, and love of fair play and justice in our public men be encouraged and upheld as things to be prized in the land that we love, or shall the corrupt newspapers be permitted the use of the mails and come into our homes in order to peddle out their bartered poison against clean and courageous public men?

Mr. President, because of the unfair treatment of me by certain newspapers in other parts of the country and one or two in my own State, I feel it my duty to print excerpts from some of the letters that I have received regarding my work in the Senate. Those who read them will understand that I am placing them in the CONGRESSIONAL RECORD so that the people who have read the criticisms and perversions of the truth regarding my service may read what others, unbribed and unafraid, have voluntarily written to me upon the subject.

APPENDIX 1.

CENTRAL BUREAU OF THE CENTRAL VEREIN,
St. Louis, Mo., August 16, 1922.

HON. J. THOMAS HEFLIN,
United States Senate, Senate Office Building,
Washington, D. C.

HON. DEAR SIR: The St. Louis Globe-Democrat of August 3 contained a short report regarding statements made by you on the previous day in the Senate. We clipped this item and compared it with the stenographic report as printed in the CONGRESSIONAL RECORD, and thereby discovered how misleading the newspaper report is.

We concluded to bring this matter to the attention of our people and have done so in our Press Bulletin of August 9, which we are sending you herewith.

Sincerely yours,

CENTRAL BUREAU OF THE CENTRAL VEREIN,
F. P. KENKEL, Director.

[From Press Bulletin of the Central Bureau of the Central Verein, vol. 10, August 9, 1922, No. 10.]

NOT SUPPRESSED BUT GROSSLY DISTORTED—SENATOR HEFLIN'S SERIOUS CHARGE OF EXTORTION AGAINST FEDERAL RESERVE BOARD—PRESS ITEM COMPARED WITH REPORT IN CONGRESSIONAL RECORD.

The manner in which the reading public is being misled by the news vendors—that is, the parties responsible for the information distributed to the dailies—is well illustrated by the following observation: Papers of August 3 contained an account from Washington saying that Senator HEFLIN, of Alabama, in opposing the reappointment of Governor Harding, of the Federal Reserve Board, had declared that interest of 87½ per cent had been charged a small bank in his State by the Atlanta Federal Reserve Bank in 1920. Senator Smoot, of Utah, thus the item continues, said he could not understand how Senator HEFLIN's statement could be true, or how a bank could pay such an interest rate and survive.

Senator HEFLIN's response to the doubt the Utah Senator cast on his remarks is quoted in the newspaper report, but in a manner that seems intended to mislead the reading public. "Senator HEFLIN," thus runs his reply, as contained in the item from Washington, "insisting he had documents to prove his statements, said the Alabama bank barely managed to live but that its business and customers were destroyed."

Now, the fact that Senator HEFLIN is simply "insisting he had the documents" and not producing them would naturally lead skeptical newspaper readers, or those who favor the present banking system, to doubt, as Senator Smoot did, the possibility of so preposterous an interest charge as the one Senator HEFLIN alleged an Alabama bank to have paid. But what did Senator HEFLIN really say? Turning to the CONGRESSIONAL RECORD, No. 196, issue of August 2, 1922, we find, on page 11871, that, having charged the governor of the Federal Reserve Board, Mr. Harding, with having applied the progressive interest rate to the agricultural sections of the South and West, but not at all to the other sections of the country, the Senator continued: "I hold in my hand a letter, written by the governor of the Federal Reserve Bank of Atlanta, in which he acknowledges that they charged a bank in my State 87½ per cent interest."

Now, this is evidently something entirely different from what Senator HEFLIN was reported in the daily papers as having said. Furthermore, he added weight to what we have quoted from his address in the Senate by informing his colleagues that this valuable document had been furnished him by the former Comptroller of the Currency, Williams. "I made that charge," Senator HEFLIN continued, "on this floor for more than a year, and I could get no information on the subject from either the board or the bank of Atlanta as to the correctness or incorrectness of my charge. In the meantime the governor of the Federal Reserve Board was proclaiming that agriculture was in no way being discriminated against. He declared that agriculture had been aided in every way possible, when the real facts show that agriculture was stricken down and practically destroyed by the deflation policy conduct of Governor Harding."

Clinching his arguments, Senator HEFLIN, addressing himself to the Chair, proclaimed: "Mr. President, I have the proof now. A bank in my State, furnishing money and credit to farmers at the crop-moving time, had the progressive interest rate applied to it by the Reserve Bank of Atlanta and forced to pay 87½ per cent interest." "Does that look like a fair deal for agriculture?" he exclaimed. "Does that look like aiding agriculture in every way possible?"

At this point Senator ROBINSON, of Arkansas, interjected a question regarding the object of imposing such a rate. Senator

HEFLIN, answering the interrogation, said: "The object was to shut off loans, to prevent agriculture from getting money, to force the farmer to sell regardless of market conditions, because the edict had gone out, in a quiet way, to stop loaning money on cotton and live stock and other farm products." Moreover, Senator HEFLIN made it absolutely clear that this rate was actually collected. "I criticized the Federal Reserve Board," he stated furthermore, "for its brutal and inhuman conduct in this matter, until I, with John Skelton Williams, forced the policy to be changed and the money to be refunded. The injury had been done, however, before the money was refunded."

To the question now put to him by Senator ROBINSON: "How could a bank continue in business and pay that exorbitant rate?" the Senator from Alabama replied: "It practically had to quit, barely lived through that trying time." And while a bank in the South, the dependence of agriculturists, had financial thumbscrews applied to it in such a manner, "a bank in New York borrowed many, many times more than its capital, and they never applied the progressive interest rate to it at all." In other words, as Senator HEFLIN so trenchantly put it: "Six per cent in New York, and an interest rate of 87½ per cent in Alabama."

Let anyone compare the item regarding Senator HEFLIN's accusation, as it appeared in the papers of August 3, with the stenographer's report printed in the CONGRESSIONAL RECORD, and the result must be the conviction that the public was kept entirely in the dark regarding the serious indictment against the Federal Reserve Board pronounced by the Alabama Senator. And it is difficult to believe that the misleading newspaper report was due to the incompetence of some reporter. The account, as it was given to the papers, impresses one as studied, inasmuch as the writer can not be accused of having suppressed the fact of the charge, while only a comparison of his item and the report printed in the CONGRESSIONAL RECORD would prove that in reality Senator HEFLIN's damaging statements had been falsified.

CENTRAL BUREAU OF THE CENTRAL VEREIN.

AUGUST 22, 1922.

MR. F. P. KENKEL,
Director Central Bureau of the Central Verein,
3835 Westminster Place, St. Louis, Mo.

MY DEAR SIR: Your letter inclosing a copy of press bulletin of the Central Bureau of the Central Verein has been received and noted. I have read with keen interest and appreciation your bulletin, in which you show how unfairly my speech was reported on the date mentioned.

I am receiving letters from all over the country indorsing my position on the destructive deflation policy conducted by the Federal Reserve Board. Wherever the CONGRESSIONAL RECORD goes and the people can get the truth I have received letters strongly indorsing my stand in this matter. I have never seen one report sent out from Washington on a speech that I made upon this subject that gave a fair report of what I said in discussing the subject. Some strange influence has been at work to keep the facts that I have given from time to time from reaching the public.

Again thanking you for your interest and kindness in this matter, I am, with best wishes,

Yours sincerely,

J. THOS. HEFLIN.

APPENDIX 2.

MR. HEFLIN. Here is a copy of an interesting letter, written by Hon. John Skelton Williams to the editor of the Manufacturers' Record, Hon. Richard H. Edmonds, of Baltimore:

MARCH 3, 1923.

DEAR MR. EDMONDS: I thank you for sending me a copy of the letter addressed to you by Acting Governor Platt, of the Federal Reserve Board, in which he pretends to set forth, but really misrepresents, my position at the conference of May 18, 1920, at which I was present during a part of the proceedings.

After the well-merited excoriation which Judge BRAND, of Georgia, publicly administered to this self-same Platt on the floor of the House of Representatives a year or so ago, he "ran to cover" and nothing was heard from him for some time. As you probably know, he is the particular member of the board to whom I referred in my speech before the Georgia Press Association on July 14, 1921, when I said:

"Upon another occasion when certain policies were being discussed in the Federal Reserve Board, which were being opposed on the ground that they might result in forcing the failure or retirement from business of many small State banks throughout

the country, a certain member of the board, who has never been conspicuous for a knowledge of banking or an adequate comprehension of the difficulties which the country has had to face in the past year, spoke up and said, in effect, 'If this plan means the failure of the small State banks, that need not stop it; in fact, if we can't get rid of the small State banks by any other method, it might be as well to get rid of them that way'—that is to say, by their failure. It was the same statesman and member of the board who a few weeks later condoned the action of a large bank in a big city which had been discovered to have charged a valued customer the equivalent of about 200 per cent per annum interest on a loan of several hundred thousand dollars for about six months, with the remark that 'all banks charge those rates, more or less.'

Mr. Platt's statement to the effect that all banks charge such unconscionable rates as those which I was at the time condemning was of course untrue, for there are thousands of decent and self-respecting banks throughout the country who have never charged or countenanced those unscrupulous rates.

If Platt denies now the above statement which I made publicly more than 18 months ago, and was never denied as far as I have ever heard, he will only furnish additional evidence of his reckless mendacity. The speech in which I made those charges was made by me openly before the Joint Commission on Agricultural Inquiry of the United States Senate and House of Representatives on August 2, 1921, in the presence of several members of the Reserve Board, and they did not dare to question or deny them. It is too late now for them to try to do so.

In his speech before the May 18 conference, in admitting his ignorance of banking matters, Mr. Platt said to the assembly:

"I feel a little bit of trepidation before an audience made up exclusively of bankers, because I think I may be subject to a little criticism for not having had a great deal of banking experience. In fact, my actual banking experience is confined chiefly to acting as teller at a few bank elections."

His whole conduct on the board impresses me as confirmatory of that confession. Platt's letter to you is so ill-tempered, so undignified, and so full of misstatements that I doubt whether you will think it worthy of a reply.

I note that he has the impudence to say to you:

"If persons who took part in the discussion decide to prosecute the Manufacturers' Record for libel, as I shall urge them to do, it would be natural to expect Mr. Williams to join in the prosecution, because his own attitude is as grossly misrepresented as anyone's."

As your editorial was a plain, dignified, and forceful statement of facts and contained no misrepresentation of anyone, as far as I can see, Platt may be right in saying that my attitude was subjected to the same degree of misrepresentation as anyone's when *no one's* was misrepresented; but if I should undertake to "join in a prosecution" it would not be of the Manufacturers' Record, which has so courageously exposed and turned the light of publicity upon the proceedings of the May 18 conference, for Platt knows well enough the intense and bitter feeling which exists against the men who have been described on the floor of the Senate and elsewhere as "conspirators," who, after the soothing assurances which they gave as to the orderly, intelligent, and considerate manner with which a reasonable degree of deflation was to be brought about, cut the props from under the country's prosperity and precipitated, artificially, and as many believe designedly, the most ruinous and drastic deflation and contraction of credits which the commercial, industrial, and agricultural interests of the world ever experienced.

In his letter to you he has the effrontery to say that I—

"First. Agreed to the conclusions of the meeting.

"Second. Voted for the resolution adopted.

"Third. Advocated deflation in express terms, and was practically the only person taking part in the discussion who did so."

Those brief extracts from his letter contains three false and misleading statements.

I did not agree to the conclusions of the meeting as put into practice.

I did not vote for the resolution adopted.

I was not practically the only person taking part in the discussion who advocated deflation in express terms.

Platt doubtless knows well enough that at conferences and hearings of that character the members of the board present who are conducting the hearing do not vote on the questions brought up; at least they did not when I was a member of the board. Such meetings and conferences go on record by the

passage of resolutions, and their resolutions are taken up subsequently at meetings of the board in executive session for consideration and action if desirable.

Platt admits a little later in his letter, however, that what I advocated was a "proper and reasonable degree of contraction"—"a reasonable degree of deflation."

When, in the meeting of May 18, 1920, I had unsuspectingly commended Governor Harding's opening address, in which he had given those positive assurances that whatever liquidation was to be brought about was to be "gradual" and "sensible," and that great care was to be taken "not to overdo this matter of liquidation," I never imagined that a majority of the Reserve Board could sympathize or agree with the views of the chairman of one of the Federal reserve banks who got up during the meeting and actually suggested that the reserve system should "without disturbance" bring about a contraction of loans during the ensuing three or four months of *two or three billions of dollars*, or 10 per cent of all outstanding loans, which he stated to the meeting was the kind of liquidation that had been "spoken of in the Federal reserve system as orderly liquidation." I can not conceive how any sane and intelligent man could regard such ruinous deflation as would naturally follow the calling in of two or three billions of loans in three or four months as indicative of the "wise and discriminating judgment" which Governor Harding had assured those present at the meeting was to be exercised in this supremely important matter. If any such program had been adopted *openly* at that time the country would have been stunned but would have revolted immediately and would have prevented the cataclysm.

Mr. Platt says in his letter to you that I "wanted contraction at once," and that I criticized a colleague for going no further than "to desire and hope that we would not inflate any further." Mr. Platt knows that his statement is a perversion of my consistent position throughout that whole period. I was in favor of curbing and restraining profiteers and speculators, but I urged that the fullest consideration should be given to the country's legitimate business and commerce—agricultural interests and essential industries. To quote my exact words in this connection, at that meeting I said:

"It seems to me the greatest factor would be to restrict arbitrarily the granting of credit to nonessential industries or those concerns that are making inordinate profits, especially on products that are not most needed."

A few weeks later, on August 26, 1920, I urged upon the board a moderation of its contraction policies, and filed a memorandum with the board in order that the record might be clear. I said in that warning note:

"Mr. Williams called attention to the drastic liquidation which has already taken place in the past six or eight months in leading commodities, including cotton, wheat, corn, rice, silk, wool, leather, and so forth, the shrinkage in some cases amounting to over 50 per cent. He also stated that prices of standard securities, including United States Government bonds, high-class railroad bonds and shares, and other securities, had this summer reached the lowest level they had touched in half a century, and expressed the view that such additional liquidation as is needed could be brought about without the exaction of interest rates as high as those which have prevailed."

In a communication to the governor of the board on January 28, 1920, I had remonstrated against the reckless manner with which the funds of the Federal reserve system were being withdrawn from the legitimate channels of trade and commerce to feed the fires of speculation in New York. I pointed out in that letter that the Reserve Bank of New York was lending to a certain conspicuous banking institution in that city an amount equal to nearly six times the capital of the Federal Reserve Bank of New York, or an amount in excess of the total loans and discounts made about that time to all of their member banks by either the Federal Reserve Banks of St. Louis, Minneapolis, Kansas City, Richmond, or Atlanta, and I showed that the amount which was being loaned to that one particular trust company was about twice as much as the aggregate of all loans and discounts and purchased paper held at that time by the Federal Reserve Bank of Dallas.

I registered my protest against such an abuse of the aims and purposes of the reserve system in the following language in a letter to the governor of the board. I said:

"This is a concentration of the funds of the system with one debtor bank conspicuous for its speculative operations and promotions, which in my judgment is not only not justified but distinctly dangerous, and I feel it my duty to register my strong dissent from a continuance of such conditions as these by writing you, as I am doing, as an ex officio member of the board. * * * With such facts before us * * * as I

have here undertaken to bring to your attention, our responsibility becomes serious and very real."

My recommendations at that time, however, were unfortunately disregarded, and the concern referred to continued its speculative operations and promotions and its absorption of Federal reserve funds, and about 18 months later the bankers of New York City were hurriedly called together to provide from \$75,000,000 to \$100,000,000 to prevent a disastrous failure.

Like so many others, I was also misled for a while by Governor Harding's specious promises and protestations as to the "gradual" and "sensible" manner in which "reasonable" deflation was to be brought about. The stenographic record shows that I said to the conference:

"I see nothing in the situation to justify the fear of such a commercial crisis or financial catastrophe as we had either in 1873, 1890, or 1907."

That was perfectly true. There *was* no justification or excuse for the cataclysm which was subsequently precipitated. It is clear now that I had greater confidence in the "wisdom," "discriminating judgment," and real intentions of a majority of my colleagues on the board than was justified. I realized their tremendous power for evil as well as for good, but I did not think that it was the power for evil that was to be exercised rather than the power for good; but I did warn the conference, in referring to the commercial crisis of 1873, 1890, and 1907, that "if anything of that kind comes, it will be our fault—the fault of those who are in charge of the banking and commercial interests of the country, and I do not believe they are going to bungle it."

In commenting upon that statement by me you say, very properly, in your editorial:

"Unfortunately those in charge of the banking interests of the country did bungle it, and bungled it badly, as Mr. Williams has repeatedly said that they did, and proved by the figures which he has published showing how badly it was bungled."

The clear and unmistakable written record of those times shows how I urged and implored the Federal Reserve Board, when I realized the dangers of the drastic deflation and contraction which they were bringing about and the annihilation in commodity values of all kinds which was taking place—not the "proper and reasonable degree of contraction" of which I had spoken—to put on the brakes and save the situation from such ruthless deflation before it should be too late.

Governor Harding's reply to one of my communications was to the effect that the paralyzing collapse in values which was taking place was merely the puncturing of a balloon and letting out hot air, to which I replied that intelligent men in charge of the management of a balloon were not expected to "puncture" it and bring it crashing in ruin to earth, but to effect a safe landing by the intelligent use of valves, ropes, and ballast.

Did you notice Mr. Platt declares in his letter that in your article "It is stated that 100 copies of the report of this meeting 'were printed for confidential circulation' at the time and the type destroyed"? His statement is plainly false. You did not say in the article from which Platt intends to quote that the 100 copies were printed "at the time." The words "at the time" were simply inserted by Platt without warrant. For aught we know, however, 100 or more copies may also have been distributed "at the time" of the meeting as well as later. It would quite naturally have caused a shudder throughout the country if the board had foretold the ruinous deflation plans which it put into execution in the ensuing months.

The Manufacturers' Record did not misrepresent my position in the least degree; but I do resent very thoroughly the "gross perversion and falsification" of my recorded position which Mr. Platt attempts to make in his letter to you.

By the way, I notice that your long editorial of 18,000 words was considered to be of so much importance to the whole country that two United States Senators, from North Dakota and from Idaho, in the past few days have each had the entire editorial inserted in the CONGRESSIONAL RECORD as a part of their speeches in the Senate. And on February 28, as your editorial was being commended by Senator GOODING, Senator McNARY obtained the floor to say that "the article referred to by the able Senator from Idaho is a splendid one and I should like to have it read from the desk."

Senator DIAL, of South Carolina, arose and said:

"Let us have the whole article read. It is very interesting."

The clerk of the Senate then read your 18,000-word editorial throughout. Upon the conclusion of the reading, Senator GOODING said to the Senate:

"I think the people of this country owe a debt of gratitude to the Manufacturers' Record, of Baltimore, for having the

courage to publish the story of this conspiracy, as it was formed here in this city on May 18, 1920."

I again congratulate you upon the manner in which you have brought this important subject before the country.

Yours very truly,

JOHN SKELTON WILLIAMS.

MR. RICHARD H. EDMONDS,

Editor Manufacturers' Record, Daytona, Fla.

THIRD DEFICIENCY APPROPRIATION BILL.

MR. WARREN. From the Committee on Appropriations I report back favorably with amendments the bill (H. R. 14408) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1924, and for other purposes, and I submit a report (No. 1250) thereon. I give notice that I shall expect to have the bill taken up to-morrow.

PENSIONS AND INCREASE OF PENSIONS.

MR. BURSUM. I desire to give notice that upon the disposition of the pending bill I intend to move that the Senate take up for consideration the bill S. 4305, granting an increase of pension to certain soldiers of the Mexican War and Civil War and their widows and minor children, widows of the War of 1812, Army nurses, and for other purposes.

SULPHUR RIVER BRIDGE, TEX.

MR. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (S. 4631) granting the consent of Congress to the counties of Bowie and Cass, State of Texas, for construction of a bridge across Sulphur River at or near Paces Ferry, in said counties and State, and I submit a report (No. 1249) thereon. I ask unanimous consent for the immediate consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the counties of Bowie and Cass, State of Texas, to construct, maintain, and operate a bridge and approaches thereto across the Sulphur River at a point suitable to the interests of navigation, at or near Paces Ferry, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

RENT FOR OFFICE, RECORDER OF DEEDS (S. DOC. NO. 326).

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the District of Columbia, office of the recorder of deeds, fiscal year 1923, in amount \$3,890, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

PRINTING AND BINDING, PATENT OFFICE (S. DOC. NO. 328).

The VICE PRESIDENT laid before the Senate a supplemental estimate of appropriation for the Interior Department, fiscal year 1923, for printing and binding, Patent Office, \$54,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

PREVENTING FOREST FIRES AND INSECT INFESTATION (S. DOC. NO. 329).

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Agricultural Department, fiscal year 1923, for fighting and preventing forest fires and combating insect infestation, \$35,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

TEMPORARY POST-OFFICE CLERKS AND CARRIERS (S. DOC. NO. 330).

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Post Office Department, fiscal year 1923, in amount \$550,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

INDUSTRY IN COLORADO RIVER BASIN (S. DOC. NO. 331).

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of

Commerce, fiscal year 1924, in amount \$7,500, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

DISTRIBUTION OF BOLL-WEEVIL INSECTICIDES (S. DOC. NO. 332).

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Agricultural Department, fiscal year 1923, for developing the use of the airplane as a means of distributing insecticides for the control of the boll weevil, \$60,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

REPAIRS TO COURTHOUSE, DISTRICT OF COLUMBIA (S. DOC. NO. 327).

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the District of Columbia, fiscal year 1923, for repairs and improvements to the courthouse, District of Columbia, \$15,300, and a draft of proposed legislation to increase the amount authorized to be paid from the policemen and firemen's relief fund, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

BUILDING AT FORT TOTTEN (N. DAK.) INDIAN SCHOOL (S. DOC. NO. 333).

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Interior Department, fiscal year 1923, for rebuilding and reequipping the shop building at the Fort Totten Indian School, Fort Totten, N. Dak., recently destroyed by fire, \$10,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

SEARCH FOR BODY OF JOHN PAUL JONES (S. DOC. NO. 334).

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of State, fiscal year 1923, for the payment of a claim of the Government of France to reimburse a French citizen for loss and damage to property resulting from the search for the body of Admiral John Paul Jones, in amount \$13,511.13, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

DISCREPANCIES IN CERTAIN ACCOUNTS (S. DOC. NO. 335).

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Treasury Department, fiscal year 1923, for the adjustment of any discrepancies in the paper accounts between the office of the Secretary of the Treasury and the Bureau of Engraving and Printing existing on April 8, 1922, and the adjustment of any actual losses which may be shown to have occurred to the Government on account of such discrepancies, in amount \$100,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

COLLECTION AND DISBURSEMENT OF PUBLIC MONEYS (S. DOC. NO. 336).

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Treasury Department, fiscal year 1923, for the collection, safe-keeping, transfer, and disbursement of public moneys, \$15,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

SUBTREASURY AND ASSAY OFFICE, NEW YORK CITY (S. DOC. NO. 337).

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriations for the Treasury Department, fiscal year 1923, in amount \$50,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

COURTHOUSE AND POST OFFICE, PHILADELPHIA, PA. (S. DOC. NO. 338).

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Treasury Department, fiscal year 1923, in amount \$40,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

LANDS WITHIN PUEBLO INDIAN GRANTS.

Mr. CURTIS. I move that the Senate adjourn.

Mr. LENROOT. Mr. President, will the Senator withhold that motion for a moment in order that I may make a statement?

Mr. CURTIS. I withhold the motion.

Mr. LENROOT. Mr. President, there is a bill known as the Pueblo Indian bill, or the Bursum bill, which has caused a great deal of controversy. The Committee on Public Lands and Surveys have held hearings for several weeks on the measure, and all parties have now agreed upon a bill. There is no objection to the bill that has been reported, and if it is passed to-night I think probably the bill can be passed at this session through both Houses, otherwise it can not be passed until next winter. I therefore ask unanimous consent for the present consideration of the bill.

The VICE PRESIDENT. The title of the bill will be stated.

The READING CLERK. A bill (S. 3855) to ascertain and settle land claims of persons not Indian within Pueblo Indian land, land grants, and reservations in the State of New Mexico.

Mr. WALSH of Massachusetts. Mr. President, I have received some communications criticizing the bill which the Senator from Wisconsin desires to have considered.

Mr. LENROOT. I have had many telegrams from the Senator's State all favoring the bill to which I have referred. It was the old bill which was so severely criticized.

Mr. WALSH of Massachusetts. I may be misinformed about the particular bill. I will inquire if the Senator from New Mexico [Mr. JONES] approves of the bill in its present shape?

Mr. JONES of New Mexico. Yes; I think all parties who have taken an interest in the subject are agreed upon the bill which the committee has now presented.

Mr. WALSH of Massachusetts. Very well; I shall make no objection to the consideration of the bill.

Mr. LENROOT. If the bill shall lead to any debate, I will not insist upon its consideration.

The VICE PRESIDENT. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3855) to ascertain and settle land claims of persons not Indian within Pueblo Indian land, land grants, and reservations in the State of New Mexico, which had been reported from the Committee on Public Lands and Surveys with an amendment to strike out all after the enacting clause and to insert:

That in order to quiet title to various lots, parcels, and tracts of land in the State of New Mexico for which claim shall be made by or on behalf of the Pueblo Indians of said State as hereinafter provided, the United States of America, in its sovereign capacity as guardian of said Pueblo Indians, shall, by its Attorney General, file in the District Court of the United States for the District of New Mexico its bill or bills of complaint with a prayer for discovery of the nature of any such claim or claims of any kind whatsoever adverse to the claim of said Pueblo Indians, as hereinafter determined.

SEC. 2. That there shall be, and hereby is, established a board to be known as "Pueblo lands board," to consist of the Secretary of the Interior, the Attorney General, and a third member to be appointed by the President of the United States. The board shall be provided with suitable quarters in the city of Santa Fe, N. Mex., and shall employ such clerical assistance, interpreters, and stenographers, with such compensation as the Attorney General shall deem adequate, and it shall be provided with such necessary supplies and equipment as it may require on requisitions to the Department of Justice. The compensation and allowance for travel and expenses of the member appointed by the President shall be fixed by the Attorney General.

It shall be the duty of said board to investigate, determine, and report and set forth by metes and bounds, illustrated where necessary by field notes and plats, the lands within the exterior boundaries of any lands granted or confirmed to the Pueblo Indians of New Mexico by any authority of the United States of America, or acquired by said Indians as a community by purchase or otherwise, title to which the said board shall find not to have been extinguished in accordance with the provisions of this act, and the board shall not include in their report any claims of non-Indian claimants who, in the opinion of said board after investigation, hold and occupy lands of which they have had adverse possession within the terms of the limitations, or either of them, prescribed in section 4 of this act: *Provided, however,* That if all the members of the board shall not agree that the Indian title is not extinguished to any tract or tracts of land, then such tract or tracts of land shall be included in the lands which shall be claimed for said Indians.

The board shall report upon each pueblo as a separate unit and shall complete its report upon one pueblo before taking up another, and upon the completion of each report one copy shall be filed with the United States District Court for the District of New Mexico, one with the Attorney General of the United States, one with the Secretary of the Interior, and one with the Board of Indian Commissioners.

SEC. 3. That upon the filing of each report by the said board the Attorney General shall cause to be filed in the United States District Court for the District of New Mexico, as provided in section 1 of this act, a suit to quiet title to the lands described in said report as Indian lands, the Indian title to which is not extinguished.

SEC. 4. That all persons other than Pueblo Indians claiming title to or ownership of any lands involved in any such suit or suits may, in addition to any other legal or equitable defenses which they may have, plead limitation of action, as follows, to wit:

(a) That in themselves, their ancestors, grantors, privies, or predecessors in interest or claim of interest they have had open, notorious, actual, exclusive, continuous, adverse possession of the premises claimed for more than 20 years next preceding the passage of this act under color of title.

(b) That in themselves, their ancestors, grantors, privies, or predecessors in interest or claim of interest they have had open, notorious, actual, exclusive, continuous, adverse possession of the premises claimed for more than 30 years next preceding the passage of this act with claim of ownership but without color of title.

SEC. 5. The plea of such limitations, successfully maintained, shall entitle the claimants so pleading to a decree in favor of them, their heirs, executors, successors, and assigns, for the premises so claimed by them, respectively, or so much thereof as may be thus established, which shall have the effect of a deed of quitclaim as against the United States and said Indians, and a decree in favor of claimants upon any other ground shall have a like effect.

The United States may plead with like effect in favor of the pueblo or any individual Indian thereof, as the case may be, the said limitations hereinbefore defined.

SEC. 6. That all lands the title to which is determined in said suit or suits shall, where necessary, be surveyed and mapped under the direction of the Secretary of the Interior, at the expense of the United States, but such survey shall be subject to the approval of the judge of the United States district court, and if approved by said judge shall be filed in said court and become a part of the decree or decrees entered in said district court.

SEC. 7. That necessary costs in all original proceedings under this act, to be determined by the court, shall be taxed against the United States, and any party aggrieved by any final judgment or decree shall have the right to a review thereof by appeal or writ of error or other process, as in other cases, but upon such appeal being taken each party shall pay his own costs.

SEC. 8. That in the sense in which used in this act the word "purchase" shall be taken to mean the acquisition of community lands by the Indians other than by grant or donation from a sovereign.

SEC. 9. That any person not impleaded in any such action, and claiming any interest in the premises involved, may be made a party defendant thereto, or may intervene in such action, settling up his claim in usual form.

SEC. 10. That as to all lands within the exterior boundaries of any lands granted or confirmed to the Pueblo Indians of New Mexico, by any authority of the United States of America, or acquired by said Indians as a community by purchase or otherwise and which have not been claimed for said Indians by the findings and report of the board as herein provided, the Secretary of the Interior shall cause notice to be published in some newspaper or newspapers of general circulation issued, if any there be, in the county in which the said lands or some part of them are located, otherwise in some newspaper or newspapers of general circulation published nearest to such lands, once a week for five successive weeks, setting forth as nearly as may be the names of claimants of land holdings within said exterior boundaries and not embraced within the lands claimed for said Indians as aforesaid, with a description of such several holdings as shown by a survey of Pueblo Indian lands heretofore made under the direction of the Secretary of the Interior, and commonly known as the Joy Survey, or as may be otherwise shown, and requiring that any person or persons claiming such described parcel or parcels of land adversely to the apparent claimant or claimants so named as aforesaid, or their heirs or assigns, shall, on or before the thirtieth day after the last publication of such notice file his or their adverse claim in the United States land office in the land district wherein such parcel or parcels of land are situated, in the nature of a contest, stating the nature and basis of such adverse claim, and notice of such contest shall be served upon the claimant or claimants named in the said notice, in the same manner as in cases of contest of homestead entries; if no such contest is instituted as aforesaid, the Secretary of the Interior shall issue to the claimant or claimants named in the said notice a patent or other certificate of title for the parcel or parcels of land so described in the said notice; but if a contest be filed, it shall proceed and be heard and decided as contests of homestead entries are heard and decided, under the rules and regulations of the General Land Office pertinent thereto. Upon such contest either party may claim the benefit of the provisions of section 4 of this act, to the same effect as if he were a party to a suit to quiet title brought under the provisions hereof, and the successful party shall receive a patent or certificate of title. Any patent or certificate of title issued to non-Indian claimants under the provisions of this act shall have the effect only of a relinquishment of title by the United States of America and the said Indians and shall not affect the adverse rights of any other party or parties whatsoever. If the names of the claimants of such parcel or parcels of land are unknown, and after such notice more than one person or group of persons united in interest makes claim in such land office adversely to each other, the register and receiver shall require them to set forth in writing the nature of their respective claims, and thereupon the said claims shall be heard and decided as if they were made in a contest in the first instance. All patents or certificates of title which may be issued in accordance with this act shall be in such form as to convey the title of the United States and said Indians to the grantee, naming him, and to his heirs and legal representatives.

SEC. 11. That if any non-Indian party to any such suit shall assert against the Indian title a claim based upon a Spanish or Mexican grant, and if the court should finally find that such claim by the non-Indian is superior to that of the Indian claim, no final decree or judgment of ouster of the said Indians shall be entered or writ of possession or assistance shall be allowed against said Indians, or any of them, or against the United States of America acting in their behalf, unless it shall be found that such non-Indian claimant shall also be entitled to said land under the provisions of section 4 as herein provided. In such case the court shall ascertain the area and value of the land thus held by any non-Indian claimant under such superior title, excluding therefrom the area and value of lots or parcels of land the title to which has been found to be in other persons by adverse possession under the provisions of this act: *Provided, however*, That any findings by the court under the provisions of this section may be reviewed on appeal or writ of error at the instance of any party aggrieved thereby in the same manner, to the same extent, and with like effect as if such findings were a final judgment or decree. When such finding adverse to the Indian claim has become final, the Secretary of the Interior shall report to Congress the facts, including the area and value of the land so adjudged against the Indian claim, with his recommendations in the premises.

SEC. 12. That when any claimant, other than the United States for said Indians, fails to sustain his claim to any parcel of land within any Pueblo Indian grant, purchase, or donation under the provisions of this act, but has held and occupied any such parcel in good faith, claiming the same as his own, and the same has been improved, the value of the improvements upon the said parcel of land shall be found by the court and reported by the Secretary of the Interior to Congress with his request for appropriations to pay such claimants for such improvements at the valuation so found by the court.

SEC. 13. That if any land adjudged against any claimant be situated among lands adjudicated or otherwise determined in favor of non-Indian claimants and apart from the main body of the Indian land, and the Secretary of the Interior deems it to be for the best interest of the Indians that such parcels so adjudged against the non-Indian claimant be sold, he may, with the consent of the governing authorities of the pueblo, order the sale thereof, under such regulations as he may make, to the highest bidder for cash, and if the buyer thereof be other than the losing claimant, the purchase price shall be used in paying to such losing claimant the adjudicated value of the improvements aforesaid, if found under the provisions of section 12 hereof, and the balance thereof, if any, shall be paid over to the proper officer or officers of the Indian community, but if the buyer be the losing claimant, and the value of his improvements has been adjudicated as aforesaid, such buyer shall be entitled to have credit upon his bid for the value of such improvements so adjudicated.

SEC. 14. That the pleading, practice, procedure, and rules of evidence shall be the same in all causes arising under this act as in other civil causes in the Federal courts except as otherwise herein provided.

Mr. JONES of New Mexico. Mr. President, the committee reports what is virtually a substitute bill. To that substitute I have a couple of amendments to propose, one of which is acceptable to all the other members of the subcommittee. I presume that now is the time to propose the amendment. I therefore offer the following amendment to the amendment reported by the committee.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The READING CLERK. On page 15, after line 11, it is proposed to add the following:

That in the event there is submitted to the Pueblo land board any claim or claims originating during the 20-year period provided for in subsection (a) of section 4 of this act under and by virtue of a deed or deeds, or a contract for a deed or deeds, entered into by the authorities of any pueblo with such claimant or claimants in behalf of such pueblo then the board shall not report such claim or claims for suit to quiet title, but shall investigate all the circumstances surrounding the transaction, the value of the improvements upon and extent of use of the land claimed, and shall report the facts fully to the Secretary of the Interior, who in turn shall report the same to Congress with his recommendations in the premises: *Provided, however*, That if after one year from the date of the transmittal to Congress of the recommendation by the Secretary of the Interior no action has been taken pursuant thereto, then the claimant or claimants shall be served with process in the appropriate suit to quiet title and his or their rights shall be litigated in the same manner as would any other claim under the provisions of this act: *And provided further*, That if it shall appear that any of the claims above mentioned in this paragraph originated prior to June 20, 1910, such claims shall, if the governing authorities of the pueblo interested in the premises shall file with the said board their written approval thereof, be recognized as valid and disposed of in the manner provided for the disposition of the claims included in the provisions of section 10 of this act.

Mr. SMOOT. Mr. President, I have been trying to follow the reading of the amendment in detail, but it was impossible for me to do so. Therefore, I should like to ask the Senator having the bill in charge if the amendment which has just been offered by the Senator from New Mexico has been agreed to by the subcommittee?

Mr. LENROOT. Mr. President, I will say to the Senator that the subcommittee has not considered the amendment, but I will state the effect of it. It is that where there has been possession under a deed purporting to come from the pueblo the matter shall be referred to Congress before action may be brought to quiet title; and if Congress does not act, the action shall nevertheless be brought unless the pueblo thereafter shall consent to the ratification of their deed.

Mr. SMOOT. Is there any time limit as to the action of Congress?

Mr. LENROOT. There is a time limit of one year. I think no possible harm can come from it.

Mr. SMOOT. I shall make no objection to it, if it is limited to one year.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Mexico to the amendment reported by the committee.

The amendment to the amendment was agreed to.

Mr. SMOOT. Mr. President, just a word for the RECORD. I have had my attention called to the fact that this is a bill which the Senator from Idaho [Mr. BORAH] had recalled after it was passed and had gone to the House. I have been asked whether the Senator from Idaho is in favor of the bill as it has now been reported. I could not say definitely, but I have understood that the Senator had no objection to the bill as it is now reported. I simply wanted to make that statement for the RECORD.

Mr. LENROOT. Mr. President, may I say to the Senator that I submitted the bill to the Senator from Idaho and asked him to examine it carefully? He reported to me that he had examined it carefully and had no objection, but was willing to accept it.

Mr. SMOOT. Very well; I merely desired that statement to go into the RECORD.

Mr. JONES of Washington. Mr. President, I have had some very severe criticisms in reference to the original bill—at any rate, the origin of it, and so forth—much of which, I think, was rather unjust; but, as I understand, the committee believe that the bill now reported protects fully the rights of the Indians, and it is especially framed to that end.

Mr. SMOOT. The Indians themselves have agreed to the provisions of the bill, as I understand.

Mr. LENROOT. That is, their attorney has.

Mr. SMOOT. Yes; their attorney has.

Mr. LENROOT. Mr. President, I desire to offer a formal amendment to the committee amendment. On page 18, line 21, I move to amend by striking out the word "such."

The VICE PRESIDENT. Without objection, the amendment to the amendment is agreed to.

Mr. JONES of New Mexico. Mr. President, the counsel for the Indians and the Indians themselves have insisted upon having an attorney satisfactory to them to be associated with the United States attorney. I present an amendment which is in the language of a proposal in another form of bill which was prepared by the attorney for the associations representing these Indians. It provides that if 15 pueblos in council shall ask that they be accorded an attorney satisfactory to them, then the Secretary of the Interior shall appoint such attorney, if he be a reputable attorney in the State of New Mexico; and he is only authorized to be associated with the attorney representing the United States in the ordinary way.

Mr. WILLIS. Mr. President—

Mr. JONES of New Mexico. I yield.

Mr. WILLIS. I want to be assured by the Senator upon one point. As recently as this morning there was brought to my office a very vigorous protest against this bill. I have had no time to examine it. Does the Senator know whether all these objections have been met in the amendments that have been proposed by him and by the Senator from Wisconsin [Mr. LENROOT]?

Mr. JONES of New Mexico. I do not know, of course, what the objections are which were presented to the Senator from Ohio.

Mr. LENROOT. Mr. President, I have not received a single protest.

Mr. JONES of New Mexico. I have not received a single protest, but I have in my pocket a number of telegrams approving this bill as reported by the subcommittee.

Mr. LENROOT. From the other side?

Mr. JONES of New Mexico. They come from the people who objected so strongly to the so-called Bursum bill.

Mr. WILLIS. Both Senators are confident that this bill properly protects the rights of the Indians?

Mr. JONES of New Mexico. I must say that I feel that this bill will be fair both to the Indians and to the non-Indians, and will meet with general approval.

Mr. WILLIS. That is the opinion of the Senator from Wisconsin, is it?

Mr. LENROOT. It certainly is.

Mr. JONES of New Mexico. If that is not the result, I shall certainly be grossly and greatly disappointed.

The VICE PRESIDENT. The Secretary will state the amendment offered by the Senator from New Mexico to the amendment of the committee.

The READING CLERK. On page 22, after line 12, it is proposed to insert a new section, to read as follows:

SEC. 15. If at a general council attended by representatives of not less than 15 pueblos it is decided that it would be desirable to have an associate counsel to act for the Indians with the United States attorney in the proceedings contemplated by this act, and shall in a formal request to the Commissioner of Indian Affairs designate a reputable member of the bar of the State of New Mexico for such position, such person so designated shall be appointed by the Secretary of the Interior as such associate counsel, at a compensation in an amount not less than that allowed to an assistant United States attorney for New Mexico and an allowance for a stenographer of not less than \$90 per month.

Such associate counsel may join with the United States attorney in all pleadings or file separate pleadings in behalf of the Indians after the institution of the suits provided for in section 3, and may participate in all arguments, written or oral, and may take appeals where the United States has failed for any reason to do so, and may participate in all appellate proceedings, including arguments, written or oral.

Mr. LENROOT. Mr. President, I hope this amendment will not be accepted but will be voted down. I will say that the subcommittee had the matter up informally with the department and was assured that the department would ask the different pueblos to recommend to the department a number of qualified attorneys, and if any of them were qualified the department would appoint some one whom they had recommended, which I think is vastly more for the benefit of the Indians than

to let the Indians themselves directly select some attorney who may use political and other methods in bring about his selection.

Mr. JONES of New Mexico. Mr. President, just a word. I understand the agreement, if it may be called such, to which the Senator from Wisconsin has just referred; but I wish to call to the attention of the Senator from Wisconsin the fact that the amendment which I propose does not require the pueblos to select an attorney at all, but provides that in the event that not less than 15 of the pueblos shall meet in council and make a request, then the attorney shall be appointed. Of course they would not make the request if the Indian Office had already selected an attorney satisfactory to them; but if through some mischance the attorney selected should not be satisfactory to the Indians, this would give them an opportunity to suggest some one with whom they would be satisfied.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. JONES of New Mexico. Gladly.

Mr. LENROOT. The Senator knows very well that if it be left solely to the selection of the Indians they will be hounded by these professional Indian attorneys, and very likely one of them will be selected who may not be qualified, while the interests of the Indians are much better protected under the understanding that we have had.

Mr. JONES of New Mexico. Mr. President, I think that criticism is cared for in the amendment, because it provides, in the first place, that the attorney shall be a reputable attorney and that he shall be a member of the bar of the State of New Mexico. There are no professional Indian attorneys in the State of New Mexico, so far as I know; and that provision was put in at the suggestion of the Senator from Montana to meet the criticism which the Senator from Wisconsin now offers.

Mr. LENROOT. I imagine that there are some attorneys in New Mexico who are not of the highest class and who might take advantage of these Indians if they had the opportunity to do so.

Mr. JONES of New Mexico. The amendment provides that the attorney shall be a reputable member of the bar, and the question as to whether or not he is a reputable member of the bar of course is left for the decision of the Department of the Interior; so I think that criticism is fully met in the amendment. Mr. BURSUM obtained the floor.

Mr. ROBINSON. Mr. President, it was represented that a complete agreement had been reached touching this bill, and that debate would not be required; and with that understanding consent was given for its consideration.

Mr. JONES of New Mexico. I may say to the Senator that the debate is ended right now.

Mr. BURSUM. No; I have something to say about it.

Mr. President, I think it would be very unwise to adopt this amendment. In the first place, the Government is now providing legal services for these Indians. The district attorney for the district of New Mexico—

Mr. ROBINSON. Mr. President, it was represented to the Senate that an agreement had been reached touching this bill, and with that understanding the Senate proceeded to its consideration. We have been debating it now for some minutes. I think, in good faith, in view of the representations that were made to the Senate in open session, if this debate is to continue, that we ought to adjourn.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from New Mexico [Mr. JONES] to the amendment of the committee.

Mr. BURSUM. I am perfectly willing not to have debate; but it is very unfair to have one side of the question stated, and then undertake to shut off the answer to it.

Mr. ROBINSON. Mr. President, I ask recognition. I shall move that the Senate adjourn if the debate is to continue; and I want to give notice to Senators that hereafter when a representation is made that a unanimous agreement has been reached, and that a bill will not require debate, that representation must be adhered to.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. LENROOT. I wish to say to the Senator that upon the first amendment there was no debate. As I understood the Senator from New Mexico, he wished to offer the other amendment formally, but it was not expected that it would be discussed or debated.

Mr. JONES of New Mexico. That is quite true.

Mr. ROBINSON. If we can vote now, we will vote.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. JONES] to the amendment of the committee.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question now is on the amendment of the committee as amended.

The amendment as amended was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to quiet the title to lands within Pueblo Indian land grants, and for other purposes."

ADJOURNMENT.

Mr. CURTIS. Mr. President, I renew my motion that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 40 minutes p. m.) the Senate, under the order previously entered, adjourned until to-morrow, Thursday, March 1, 1923, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, February 28, 1923.

The House met at 12 o'clock noon, and was called to order by Mr. CAMPBELL of Kansas, as Speaker pro tempore.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our fathers' God, from out of whose hand we receive the boundless gifts of life, we thank Thee. There is a guidance for each of us, and by lowly listening we would hear Thee speak. With singleness of heart we wait that we may know Thy will. May all that we do to-day yield sweetness and strength. Above all motives may the love of country and the welfare of our fellowmen direct us to diligence, patience, and wisdom in the performance of all duty. As children of the day let us turn our faces toward the light, and may we covet the uphills of life where the sunsets are more beautiful and the twilights last longer. Amen.

The Journal of the proceedings of yesterday was read and approved.

CALL OF THE HOUSE.

Mr. SNELL. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The gentleman from New York makes the point of order that there is no quorum present. Evidently there is not.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER pro tempore. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Ansorge	Focht	Lineberger	Riddick
Bird	Freeman	Lintbicum	Rosenberg
Brennan	Garner	Longworth	Rose
Brooks, Ill.	Gould	Luhning	Rossdale
Brooks, Pa.	Graham, Pa.	McClintic	Ryan
Brown, Tenn.	Greene, Vt.	McCormick	Sabath
Browne, Wis.	Hooker	McLaughlin, Nebr.	Schall
Buchanan	Huck	McLaughlin, Pa.	Scott, Mich.
Burke	Humphrey, Nebr.	Michaelson	Sears
Burtress	Hutchinson	Moore, Ill.	Slemp
Cantrill	Jacoway	Morin	Smith, Mich.
Chandler, N. Y.	James	Mudd	Smithwick
Chandler, Okla.	Jeffers, Nebr.	Nelson, Me.	Stiness
Clark, Fla.	Johnson, Miss.	Nolan	Stoll
Classon	Johnson, S. Dak.	O'Brien	Sullivan
Cockran	Jones, Pa.	O'Connor	Taylor, Ark.
Codd	Kahn	Ogden	Thomas
Collins	Keller	Olpp	Thorpe
Connolly, Pa.	Kelley, Mich.	Overstreet	Treadway
Cooper, Ohio	Kennedy	Palge	Voigt
Copley	Kindred	Park, Ga.	Volk
Crisp	Kling	Patterson, N. J.	Ward, N. C.
Crowther	Kitchin	Paul	Wheeler
Cullen	Klecza	Perkins	White, Me.
Drane	Knight	Petersen	Williams, Tex.
Edmonds	Kreider	Rainey, Ala.	Wood, Ind.
Ellis	Lampert	Ransley	
Evans	Lee, Ga.	Reber	
Fairchild	Lee, N. Y.	Rhodes	

The SPEAKER pro tempore. Three hundred and thirteen Members have answered to their names, a quorum.

Mr. MONDELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

RED RIVER OIL LANDS, OKLA.

Mr. SINNOTT. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. The gentleman from Oregon demands the regular order. The regular order is the report of the Chairman of the Committee of the Whole House on the state of the Union which was considering the bill (S. 4197) to authorize the Secretary of the Interior to issue to certain persons and certain corporations permits to explore, or leases of, certain lands that lie south of the medial line of the main channel of the Red River, in Oklahoma, and for other purposes.

Mr. BLANTON. Mr. Speaker, I make the point of order that when the Chairman of the Committee of the Whole House on the state of the Union fails to make his report to the House before adjournment, when the House meets again it becomes simply a question of recognition by the Chair, and that the regular order is not that the Chair must recognize the Chairman who had the bill in charge, because the Speaker may recognize some one else.

The SPEAKER pro tempore. The Chair is ready to rule. The Chair recognizes the gentleman from New York, Chairman of the Committee of the Whole House on the state of the Union.

Mr. HUSTED. Mr. Speaker, the Committee of the Whole House on the state of the Union, having had under consideration the bill S. 4197, directs me to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

Mr. CONNALLY of Texas. Mr. Speaker, I offer the following motion to recommit, which I send to the desk.

The Clerk read as follows:

Mr. CONNALLY of Texas moves to recommit the bill to the Committee on Public Lands, with instructions to report the same forthwith, with the following amendment: On page 3, line 11, after the word "corporation," strike out the comma, insert a period, and strike out all of the remainder of section 3 of the bill.

Mr. SINNOTT. Mr. Speaker, on that I demand the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken, and on a division (demanded by Mr. CONNALLY of Texas) there were—ayes 30, noes 193.

Mr. CONNALLY of Texas. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

On motion of Mr. SINNOTT, a motion to reconsider the vote by which the bill was passed was laid on the table.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed without amendment bills of the following titles:

H. R. 14317. An act granting permission to Capt. Norman Randolph, United States Army, to accept the decoration of the Spanish Order of Military Merit of Alfonso XIII;

H. R. 7267. An act granting permission to Mrs. R. S. Abernethy, of Lincolnton, N. C., to accept the decoration of the bust of Bolivar;

H. R. 5018. An act to authorize the widening of First Street NE., and for other purposes; and

H. R. 10677. An act for the relief of Quincy R. Craft.

The message also announced that the Senate had passed bills of the following titles in which the concurrence of the House of Representatives was requested:

S. 4500. An act authorizing the appointment of William Schuyler Woodruff as an Infantry officer, United States Army;

S. 4609. An act to authorize the President in certain cases to reduce fees for the visé of passports;